Docket #0963 Date Filed: 09/15/2026

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING "ADEQUATE INFORMATION" WITHIN THE MEANING OF SECTION 1125(A) OF THE BANKRUPTCY CODE. ACCORDINGLY, THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT APPROVES THIS DISCLOSURE STATEMENT. IN ADDITION, THIS DISCLOSURE STATEMENT MAY BE REVISED TO REFLECT EVENTS THAT OCCUR AFTER THE DATE HEREOF BUT PRIOR TO THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT.

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
VANDERBILT MINERALS, LLC,[1]	Case No. 26-60110 (WAK)
Debtor.	

AMENDED DISCLOSURE STATEMENT FOR CHAPTER 11 PLAN OF LIQUIDATION OF VANDERBILT MINERALS, LLC

[1] The Debtor is Vanderbilt Minerals, LLC (EIN 13-1432885). The Debtor's noticing address in the Chapter 11 Case is 33 Winfield Street, Norwalk, Connecticut 06855.

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Dated: September 15, 2026

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DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT (INCLUDING ALL EXHIBITS AND SCHEDULES HERETO AND AS MAY BE AMENDED, MODIFIED, OR SUPPLEMENTED FROM TIME TO TIME, THE "**DISCLOSURE STATEMENT**") IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE *CHAPTER 11 PLAN OF LIQUIDATION OF VANDERBILT MINERALS, LLC*, DATED AS OF SEPTEMBER 15, 2026, (INCLUDING ALL EXHIBITS AND SCHEDULES THERETO AND AS MAY BE AMENDED, MODIFIED, OR SUPPLEMENTED FROM TIME TO TIME, THE "**PLAN**") AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN.[2] A COPY OF THE PLAN IS ATTACHED HERETO AS **EXHIBIT A**. NO SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN MAY BE MADE EXCEPT PURSUANT TO SECTION 1125 OF TITLE 11 OF THE UNITED STATES CODE (THE "**BANKRUPTCY CODE**").

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THE DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. ALL HOLDERS OF CLAIMS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN SECTION IX (CERTAIN RISK FACTORS TO BE CONSIDERED) OF THIS DISCLOSURE STATEMENT BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. THE PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ATTACHED TO THE PLAN AND THIS DISCLOSURE STATEMENT. IN THE EVENT OF ANY CONFLICT BETWEEN THE DESCRIPTIONS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE TERMS OF THE PLAN, THE TERMS OF THE PLAN WILL GOVERN.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(b) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE (THE "**BANKRUPTCY RULES**") AND NOT NECESSARILY IN ACCORDANCE WITH OTHER NON-BANKRUPTCY LAW.

CERTAIN STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT, INCLUDING WITH RESPECT TO PROJECTED CREDITOR RECOVERIES AND OTHER FORWARD-LOOKING STATEMENTS, ARE BASED ON ESTIMATES AND ASSUMPTIONS AND ARE SUBJECT TO A NUMBER OF RISKS AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTOR (AS DEFINED BELOW), INCLUDING THE IMPLEMENTATION OF THE PLAN. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES. FORWARD-LOOKING STATEMENTS SHOULD BE EVALUATED IN THE CONTEXT OF THE ESTIMATES, ASSUMPTIONS, UNCERTAINTIES, AND RISKS DESCRIBED HEREIN.

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[2] Except as otherwise set forth herein, capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Plan or the Disclosure Statement Order. The exhibits to this Disclosure Statement are incorporated as if fully set forth herein and are a part of this Disclosure Statement.

FURTHERMORE, READERS ARE CAUTIONED THAT ANY FORWARD-LOOKING STATEMENTS HEREIN, INCLUDING ANY PROJECTIONS, ARE BASED ON ASSUMPTIONS THAT ARE BELIEVED TO BE REASONABLE, BUT ARE SUBJECT TO A WIDE RANGE OF RISKS IDENTIFIED IN THIS DISCLOSURE STATEMENT. IMPORTANT ASSUMPTIONS AND OTHER IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY INCLUDE, BUT ARE NOT LIMITED TO, THOSE FACTORS, RISKS, AND UNCERTAINTIES DESCRIBED IN MORE DETAIL UNDER THE HEADING "CERTAIN RISK FACTORS TO BE CONSIDERED." DUE TO THESE UNCERTAINTIES, READERS CANNOT BE ASSURED THAT ANY FORWARD-LOOKING STATEMENTS WILL PROVE TO BE CORRECT.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS, AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT WILL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHOULD NOT BE CONSTRUED AS PROVIDING ANY ADVICE ON THE BUSINESS, FINANCIAL, TAX, SECURITIES, OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST, OR INTERESTS IN, THE DEBTOR AND DEBTOR IN POSSESSION IN THE CHAPTER 11 CASE.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN, AND THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION STATED SINCE THE DATE HEREOF.

NEITHER THIS DISCLOSURE STATEMENT NOR THE MOTION SEEKING APPROVAL THEREOF CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SECURITIES IN ANY STATE OR JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL.

UPON CONFIRMATION OF THE PLAN, THE SECURITIES DESCRIBED IN THIS DISCLOSURE STATEMENT WILL BE OFFERED AND SOLD WITHOUT REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, TOGETHER WITH THE RULES AND REGULATIONS PROMULGATED THEREUNDER (THE "**SECURITIES ACT**"), OR SIMILAR U.S. FEDERAL, STATE, OR LOCAL LAWS IN RELIANCE ON THE EXEMPTION SET FORTH IN SECTION 1145(A) OF THE BANKRUPTCY CODE AND/OR ANOTHER AVAILABLE EXEMPTION UNDER THE SECURITIES LAWS OF THE UNITED STATES. THE ABILITY TO OFFER AND SELL SECURITIES WITHOUT REGISTRATION IN RELIANCE ON SECTION 1145(A) OF THE BANKRUPTCY CODE AND/OR APPLICABLE SECURITIES LAWS, WHETHER FEDERAL, STATE, OR TERRITORIAL, SHALL NOT BE A CONDITION TO THE OCCURRENCE OF THE EFFECTIVE DATE. WITH RESPECT TO THE SECURITIES OFFERED AND SOLD PURSUANT TO THE EXEMPTION UNDER SECTION 1145(A) OF THE BANKRUPTCY CODE, SUCH SECURITIES GENERALLY MAY BE RESOLD WITHOUT REGISTRATION UNDER THE SECURITIES ACT OR OTHER FEDERAL SECURITIES LAWS, UNLESS THE HOLDER IS

AN "**UNDERWRITER**" WITH RESPECT TO SUCH SECURITIES, AS THAT TERM IS DEFINED IN SECTION 1145(B) OF THE BANKRUPTCY CODE. IN ADDITION, SUCH SECURITIES GENERALLY MAY BE RESOLD WITHOUT REGISTRATION UNDER STATE SECURITIES LAWS PURSUANT TO VARIOUS EXEMPTIONS PROVIDED BY THE RESPECTIVE LAWS OF THE SEVERAL STATES. NO SECURITIES TO BE ISSUED PURSUANT TO THE PLAN HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "**SEC**") OR BY ANY STATE SECURITIES COMMISSION OR SIMILAR PUBLIC, GOVERNMENTAL, OR REGULATORY AUTHORITY. THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED FOR APPROVAL WITH THE SEC OR ANY STATE AUTHORITY AND NEITHER THE SEC NOR ANY STATE AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. NEITHER THE SOLICITATION OF VOTES ON THE PLAN NOR THE DISCLOSURE STATEMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SECURITIES IN ANY STATE OR JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED.

THE DEBTOR BELIEVES THE SOLICITATION OF VOTES ON THE PLAN MADE BY THIS DISCLOSURE STATEMENT IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND RELATED STATE STATUTES PURSUANT TO SECTION 4(A)(2) OF THE SECURITIES ACT AND/OR RULE 506 OF REGULATION D PROMULGATED THEREUNDER.

ALL SECURITIES DESCRIBED HEREIN ARE EXPECTED TO BE ISSUED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAWS.

PLAN PROPONENTS' RECOMMENDATION

The Plan Proponents support confirmation of the Plan and urge all holders of Claims entitled to vote on the Plan to vote to accept the Plan. The Plan Proponents believe the Plan provides the highest and best recovery for all creditors and is in the best interests of creditors.

I. INTRODUCTION AND EXECUTIVE SUMMARY

The Debtor files this Disclosure Statement in connection with the Plan, a copy of which is annexed to this Disclosure Statement as **Exhibit A**. The purpose of this Disclosure Statement, including the attached exhibits, is to provide information that (i) summarizes the Plan, (ii) advises holders of Claims and Interests of their rights under the Plan, (iii) assists creditors entitled to vote to make an informed decision as to whether to vote to accept or reject the Plan, and (iv) assists the Bankruptcy Court in determining whether the Plan complies with the Bankruptcy Code and should be confirmed.

The Debtor is Vanderbilt Minerals, LLC (the "**Debtor**"),[3] a Delaware limited liability company and a wholly owned subsidiary of R.T. Vanderbilt Holding Co., Inc. ("**Holdings**"). The Debtor has no subsidiaries and is the only debtor in the Chapter 11 Case.

On February 16, 2026 (the "**Petition Date**"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of New York (the "**Bankruptcy Court**").

The Debtor commenced the Chapter 11 Case to address a liquidity crisis that stemmed from mounting talc-related litigation defense costs and jury verdicts arising out of its discontinued talc mining operations, and to implement a sale of substantially all of its assets to maximize value for the estate and its creditors. The Debtor was successful in this goal. As described below in more detail, with Bankruptcy Court approval, (i) the Debtor sold substantially all of its assets to VM Buyer LLC (the "**Sale**") after a robust marketing and auction process led by Greenhill & Co., Inc. ("**Greenhill**"), and (ii) reached a global settlement with its parent, Holdings, and certain of Holdings' subsidiaries (the "**Global Settlement**") that resolved intercompany claims and provided value to the Debtor's estate through the contribution of certain assets that were integral to the Sale.

Following the consummation of the Sale in June 2026, the Debtor's main objective in the Chapter 11 Case has been to propose and consummate a chapter 11 plan that distributes its remaining value to its creditors as soon as reasonably possible and in a fair and efficient manner.

On [●], 2026, the Bankruptcy Court entered an order [Docket No. [●]] (the "**Disclosure Statement Order**"), which, among other things, (i) approved this Disclosure Statement, finding that it contains "adequate information," as that term is used in section 1125(a)(1) of the Bankruptcy Code, and (ii) authorized the Debtor to solicit votes to accept or reject the Plan. The Bankruptcy Court, however, has not yet ruled on the merits of the Plan.

For information concerning the Solicitation Package you have received from the Plan Proponents and how to vote to accept or to reject the Plan, refer to Article II of this Disclosure Statement. Creditors should carefully read this Disclosure Statement in its entirety before voting on the Plan. This Disclosure Statement and the attached Plan, including their respective exhibits, are the only materials creditors should use to determine whether to vote to accept or reject the Plan.

[3] The Debtor intends to file a notice of name change as required by the Asset Purchase Agreement and authorized by the Sale Order (each as defined below).

If the Plan Proponents receive sufficient votes to accept the Plan, the Plan Proponents intend to seek Confirmation of the Plan from the Bankruptcy Court. If the Bankruptcy Court confirms the Plan, the Plan will become effective on the date certain conditions are met. That date is called the "**Effective Date**."

This section of the Disclosure Statement contains a high-level summary of (i) the treatment of the primary creditor classes under the Plan and (ii) certain Plan Documents. As stated above, Plan summaries and statements made in this Disclosure Statement are qualified in their entirety by reference to the Plan and the exhibits attached to the Plan. The Plan controls in the event of any inconsistency or incompleteness with this Disclosure Statement.

The Plan provides for the creation of a trust (the "**Liquidation Trust**") to administer the Debtor's assets and claims after the Effective Date. The Liquidation Trust will be administered by the Liquidating Trustee. The Plan Supplement will include: (a) the Schedule of Assumed and Assigned Contracts; (b) a list of the Settling Insurance Companies; (c) the Schedule of Retained Causes of Action; (d) the list of officers and managers of the Liquidating Debtor; (e) the initial members of the Trust Advisory Committee; (f) the initial identity of the Liquidating Trustee; (g) the VLT Documents (to the extent not already filed by the Debtor); (h) the Liquidation Analysis; (i) the noticing address of the Liquidating Debtor after the Effective Date; and (j) any amended or restated organizational documents of the Debtor.

The Plan sets aside funds (the "**VLT Operating Reserve**")[4] to operate the Liquidation Trust and establishes reserves (the "**Professional Fee Reserve**" and the "**Priority Reserve**") for certain types of Claims that are required to be paid in full, specifically, Allowed Professional Fee Claims, Allowed Administrative Expense Claims, Allowed Secured Claims, and Allowed Priority Claims. In addition, the Plan establishes designated recovery funds for distributions to the three primary creditor classes: (a) the "**General Convenience Claim Recovery Fund**," which is funded on the Effective Date and will be distributed to holders of Allowed General Convenience Claims; (b) the "**GUC Recovery Fund**," which will be distributed to holders of Allowed General Unsecured Claims; and (c) the "**TC Recovery Fund**," which will be distributed to holders of Allowed Talc Claims.

On the Effective Date, the Debtor's Cash on hand (referred to as "**Effective Date Available Cash**") will be allocated in accordance with the Plan in the following order of priority: (a) first, (1) the Professional Fee Reserve in an amount necessary to satisfy Professional Fee Claims and (2) the Priority Reserve to satisfy estimated Allowed Administrative Expense Claims (excluding Professional Fee Claims), Secured Claims, and Priority Claims; (b) second, the General Convenience Claim Recovery Fund in an amount equal to the General Convenience Claim Recovery Fund Amount; (c) third, the GUC Recovery Fund in an amount equal to the GUC Recovery Fund Amount; and (d) fourth, the VLT Operating Reserve. The Debtor's remaining

[4] On the Effective Date, the VLT Operating Reserve is expected to be initially funded in Cash in an amount equal to the VLT Operating Reserve Amount. Specifically, the Debtor estimates that there will be sufficient Effective Date Available Cash to fund the General Convenience Claim Recovery Fund with the General Convenience Claim Recovery Fund Amount, the GUC Recovery Fund with the GUC Recovery Fund Amount, and the VLT Operating Reserve with the VLT Operating Reserve Amount.

assets will be divided, in the manner described below, between its three primary remaining creditor classes, which are the Voting Classes entitled to vote to accept or reject the Plan:

[*Chart on following page*]

Class	Type of Claim or Interest	Description	Treatment
Class 3	General Unsecured Claims[5]	This class includes Claims against the Debtor that are not secured by valid and enforceable Liens against property of the Debtor and that are not an Administrative Expense Claim, a Professional Fee Claim, a Priority Claim, a General Convenience Claim, or a Talc Claim.	Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Unsecured Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive such holder's General Unsecured Claim Distribution. General Unsecured Claim Distributions shall be made to holders of Allowed General Unsecured Claims as soon as reasonably practicable on the later of (i) thirty (30) calendar days after the GUC Cause of Action Completion Date and (ii) thirty (30) calendar days after such General Unsecured Claim becomes an Allowed Claim.
Class 4	General Convenience Claims	This class includes any General Unsecured Claim as to which the holder of such Claim has made a Convenience Claim Election. Upon such election, to the extent the Claim exceeds the Convenience Claim Threshold of $5,000, such Claim will be reduced to the Convenience Claim Threshold.	Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Convenience Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Convenience Claim, each holder of an Allowed General Convenience Claim shall receive payment in Cash in an amount equal to 90 to 100% of such Allowed General Convenience Claim on the Effective Date or as soon as reasonably practicable thereafter. To the extent a General Convenience Claim is subject to an objection on the Effective Date, such General Convenience Claim shall be paid thirty (30) calendar days after such General Convenience Claim becomes an Allowed Claim (if applicable).
Class 5	Talc Claims[6]	This class includes direct and indirect personal injury claims against the Debtor arising out of exposure to the Debtor's talc, including Direct Talc Claims and Indirect Talc Claims.	Pursuant to the Plan and the Trust Distribution Procedures, on the Effective Date, liability for all Talc Claims shall be permanently assumed by the Liquidation Trust without further act or deed and shall be resolved in accordance with the Trust Distribution Procedures. Except to the extent that a holder of an Allowed Talc Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and exchange for an Allowed Talc Claim, each such holder shall receive, from the Liquidation Trust, such holder's share of the TC Recovery Fund in accordance with the Trust Distribution Procedures.

[5] "**General Unsecured Claim**" means a Claim against the Debtor that is not secured by a valid and enforceable Lien against property of the Debtor and that is not an Administrative Expense Claim, a Professional Fee Claim, a Priority Claim, a General Convenience Claim, or a Talc Claim.

[6] **"Talc Claim**" means any Claim whether known or unknown, including with respect to any manner of bodily injury, death, sickness, disease or disease process, emotional distress, fear of cancer, medical monitoring or any other personal injuries or harms (whether physical, emotional or otherwise), for which the Debtor is alleged to be liable, directly or indirectly arising out of or relating to the presence of or exposure to talc or talc-containing products, including, without limitation: (i) any products previously mined, processed, milled, manufactured, sold and/or distributed by the Debtor or by any other entity for whose conduct the Debtor has liability or is alleged to have liability including any predecessors or alleged predecessors to the Debtor; (ii) any materials present at any

For a complete discussion of the treatment of Class 3 (General Unsecured Claims), Class 4 (General Convenience Claims), and Class 5 (Talc Claims) (the "**Voting Classes**") and the estimated recoveries for these Voting Classes, please refer to the Treatment Table in Section 1.4 of this Disclosure Statement.

THE PLAN PROPONENTS URGE ALL HOLDERS OF CLAIMS ELIGIBLE TO VOTE ON THE PLAN TO VOTE TO ACCEPT THE PLAN.

The key components of the Plan, the Claims against the Debtor, the assets available to satisfy those claims, and the mechanisms for distributing assets to creditors, are described below in more detail.

1.1 The Debtor's Anticipated Assets as of the Effective Date

As a result of the Sale and Global Settlement, the Debtor holds various assets it is using to administer the Chapter 11 Case and that will be used to administer the Liquidation Trust, with the rest being available for distribution to holders of Allowed Claims in accordance with the Plan.

The assets expected to be available on the Effective Date are set forth below:

- cash in an estimated amount of approximately $11.0 million as of the Debtor's anticipated Effective Date in December 2026, which amount is subject to change based on unforeseen events, litigation costs, and other factors;
- the Debtor's Insurance Rights (discussed in further detail in Section 5.13);
- an interest in a prejudgment remedy bond (the "**USSIC Bond**") owned by the U.S. Specialty Insurance Company ("**USSIC**") in the approximate amount of $3.8

premises owned, leased, occupied or operated by any entity for whose products, acts, omissions, business or operations the Debtor has, or is alleged to have, liability; or (iii) any talc alleged to contain asbestos or other constituent. Talc Claims include all such claims, whether: (a) in tort, contract, warranty, restitution, conspiracy, contribution, indemnity, guarantee, subrogation or any other theory of law, equity or admiralty; (b) seeking compensatory, special, economic, non-economic, punitive, exemplary, administrative or any other costs or damages; or (c) seeking any legal, equitable or other relief of any kind whatsoever, including, for the avoidance of doubt, any such claims assertable against the Debtor. Talc Claims also include any such claims that have been resolved or are subject to resolution pursuant to any agreement, or any such claims that are based on a judgment or verdict. The term "Talc Claim" includes, without limitation (i) all claims, debts, obligations, or liabilities for compensatory damages (such as, without limitation, loss of consortium, medical monitoring, personal or bodily injury, wrongful death, survivorship, proximate, consequential, general, and special damages) and punitive damages; and (ii) Indirect Talc Claims. Talc Claims do not include any claim by any present or former employee of a predecessor or Affiliate of the Debtor for benefits under a policy of workers' compensation insurance or for benefits under any state or federal workers' compensation statute or other statute providing compensation to an employee from an employer.

million posted in connection with a prepetition jury verdict against the Debtor in a talc-related case, which the Debtor has appealed;[7]

- potential unliquidated claims and causes of action against certain parties on account of Retained Causes of Action; and

- unliquidated assets of *de minimis* value (if any).

Under the Plan, on the Effective Date, all assets of the Debtor and/or the Liquidating Debtor will vest in the Liquidation Trust.[8] The Liquidation Trust will own such Assets free and clear of all Claims, Interests, Liens, other encumbrances, and liabilities of any kind.

There are risks inherent in liquidating the litigation and insurance assets through settlement or judgment. As such, the ability of the Liquidation Trust to liquidate and collect such unliquidated assets is uncertain. As a result, it is impossible to place a precise value on the Liquidation Trust's anticipated assets as of the Effective Date or how much holders of Allowed Claims may recover from those assets. It is expected, however, that the Liquidation Trust's assets will be insufficient to satisfy all creditors in full.

1.2 Expected Categories of Non-Priority Unsecured Claims under the Plan

Following the consummation of the Sale and Global Settlement, the Debtor's primary remaining liabilities to be administered under the Plan, subject to the Debtor's ongoing review and objection, including through the claims reconciliation process, are:

- Talc Claims in an undetermined amount;[9]

- The following General Unsecured Claims:

    - Certain contract Claims, the validity of which the Debtor disputes;

    - Approximately $4.0 million of trade Claims, primarily consisting of obligations owed to certain professional firms;

    - Potential rejection damages Claims in an undetermined amount; and

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[7] For the avoidance of doubt, USSIC retains its contingent secured claim in the USSIC Bond, In the event the underlying judgement is overturned on appeal, the collateral will be released to the Liquidation Trust. Conversely, if the judgement is upheld and USSIC pays out on the USSIC bond, it will be permitted to keep the cash collateral.

[8] Under the Plan, "***VLT Assets***" means, collectively, all Assets of the Debtor and/or the Liquidating Debtor as of the Effective Date and, if the Global Settlement Order is overturned or vacated, any Causes of Action that are restored to the Debtor or the Estate. For the avoidance of doubt, VLT Assets shall exclude any Assets transferred, or required to be transferred (whether or not subject to any contingencies that remain to be satisfied), to the Buyer pursuant to the Sale Order and the Asset Purchase Agreement..

[9] The Plan Proponents do not intend to seek a formal estimation of the Debtor's total liability on account of Talc Claims, but they reserve the right to do so in the future. Distributions on account of Talc Claims will be governed by the Plan and applicable Trust Documents, including, without limitation, the Trust Distribution Procedures.

- Other contingent and unliquidated Claims in an undetermined amount.

As further detailed in Section 5.10 of this Disclosure Statement, (i) the General Bar Date for all creditors other than holders of Direct Talc Claims to file proofs of claim in the Chapter 11 Case was July 31, 2026, and (ii) the Governmental Bar Date for governmental units (as defined in section 101(27) of the Bankruptcy Code) to file proofs of claim in the Chapter 11 Case was August 17, 2026. No bar date has been set for Direct Talc Claims.[10] As of the date hereof, approximately 129 claims have been filed, asserting approximately $25.0 million in total aggregate claims against the Debtor. Additional claims may be filed as a result of contracts the Debtor rejects. The claims reconciliation process is ongoing, including negotiations with certain parties that filed claims regarding a potential settlement of such claims, and will be continued by the Liquidation Trust after the Effective Date.

1.3 Cash Reserves and Post-Effective Date Cash

On the Effective Date, the Effective Date Available Cash will be allocated in accordance with Section 5.8 of the Plan.

In addition, the Plan includes a concept of "**Post-Effective Date Available Cash**," which means the consideration received by the Liquidation Trust after the Effective Date from the VLT Assets, including (i) recovery of Insurance Proceeds, (ii) prosecution of Retained Causes of Action, (iii) any excess Cash in the Professional Fee Reserve, (iv) any surplus Cash in the Priority Reserve and the VLT Operating Reserve, to be determined on each six-month (6-month) anniversary of the Effective Date by the Liquidating Trustee in its reasonable discretion as set forth in Section 5.9 of the Plan, (v) upon the GUC Convenience Administration Completion Date, any Cash remaining in the General Convenience Claim Recovery Fund pursuant to Section 5.3(xi) of the Plan, (vi) upon dissolution of the Priority Reserve, any Cash remaining in the Priority Reserve pursuant to Section 5.9 of the Plan, and (vii) upon the GUC Administration Completion Date, any Cash remaining in the GUC Recovery Fund pursuant to Section 5.3(xi) of the Plan.

The Plan provides that Post-Effective Date Available Cash will be allocated to: (a) first, the Priority Reserve to the extent necessary, in the sole discretion of the Liquidating Trustee, to satisfy Allowed (1) Administrative Expense Claims (excluding Professional Fee Claims), (2) Secured Claims, and (3) Priority Claims; (b) second, the VLT Operating Reserve to the extent necessary, in the sole discretion of the Liquidating Trustee, to satisfy estimated VLT Operating Expenses; and (c) third, the TC Recovery Fund; *provided*, that Post-Effective Date Available Cash from (i) the London Reimbursement Proceeds and/or (ii) proceeds from the GUC Causes of Action shall be allocated to the GUC Recovery Fund, and shall only be allocated to the Priority Reserve, the VLT Operating Reserve, and the TC Recovery Fund, as applicable, upon the GUC Administration Completion Date to the extent there are funds remaining in the GUC Recovery Fund at such time.

[10] As defined in the *Debtor's Motion for Entry of an Order (I) Setting Bar Dates for Filing Proofs of Claim Other Than with Respect to Direct Talc Claims, (II) Approving the Form of and Manner for Filing Proofs of Claim, and (III) Approving Notice of Bar Dates* [Docket No. 691] (the "**Bar Date Motion**"), a "Direct Talc Claim" is any Talc Claim other than an Indirect Talc Claim.

1.4 General Terms and Table of Summary Plan Treatment

The following table (the "**Treatment Table**") summarizes: (i) the treatment of Claims and Interests under the Plan, (ii) which Classes are impaired by the Plan, (iii) which Classes are entitled to vote on the Plan, and (iv) the estimated recoveries for holders of Claims and Interests based on certain assumptions. The table is qualified in its entirety by reference to the full text of the Plan. For a more detailed summary of the terms and provisions of the Plan, see Article VI of this Disclosure Statement.

Further, the estimated recoveries set forth in the Treatment Table are based upon estimated claim amounts, projections of available cash, and estimated recoveries on the Debtor's unliquidated assets that could vary significantly from the actual results. Many estimated claim amounts include claims that require further investigation and can only be estimated by using broad ranges. The resolution of these claims for distribution purposes, and the ultimate recoveries on unliquidated assets, could have a material effect on the estimated recoveries set forth in the Treatment Table.

The Treatment Table below assumes immediate distributable value in Cash of $11.0 million, comprised of expected Cash on hand available after the funding of the Professional Fee Reserve, the Priority Reserve, the General Convenience Claim Fund, and the GUC Recovery Fund. Class 3 General Unsecured Claims and Class 4 General Convenience Claims will be funded from Effective Date Available Cash through the GUC Recovery Fund and the General Convenience Claim Recovery Fund, respectively, in accordance with the cash allocation waterfall set forth in Section 5.8 of the Plan. Class 3 General Unsecured Claims may also receive distributions from the London Reimbursement Proceeds and proceeds from GUC Causes of Action, which are allocated to the GUC Recovery Fund as Post-Effective Date Available Cash. Class 5 Talc Claims will be funded primarily from Insurance Proceeds and proceeds from TC Causes of Action, which are allocated to the TC Recovery Fund as Post-Effective Date Available Cash. The Plan Proponents are not providing estimated recovery ranges for the Class 5 Talc Claims because (i) the Insurance Rights and Retained Causes of Action, which constitute the primary source of recovery for those Claims, are inherently difficult to value and are subject to future litigation (as further detailed in Sections 1.5 and 9.1 of this Disclosure Statement) and (ii) the Debtor's liability on account of the Talc Claims is undetermined, as those Claims will be reconciled after the Effective Date in accordance with the Trust Distribution Procedures (as further detailed in Article VIII and Section 9.1 of this Disclosure Statement). Because of these uncertainties, it is possible that holders of Allowed Talc Claims and Allowed General Unsecured Claims will receive distributions equal to the full amount of their Claims. It is also possible that they receive recoveries substantially less than holders of General Convenience Claims.

Class	Type of Claim or Interest	Treatment	Impairment	Entitled to Vote	Estimated Recovery	Estimated Claims
Class 1	Other Priority Claims	The legal, equitable, and contractual rights of holders of Other Priority Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed Other Priority Claim agrees to different treatment, on the Effective Date or as soon as reasonably practicable	Unimpaired	No (Presumed to Accept)	100%	$16,000 to $45,000

Class	Type of Claim or Interest	Treatment	Impairment	Entitled to Vote	Estimated Recovery	Estimated Claims
		thereafter, each holder of an Allowed Other Priority Claim shall receive, on account of such Allowed Claim, (a) payment in full in Cash from the Priority Reserve or (b) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.				
Class 2	Secured Claims	The legal, equitable, and contractual rights of holders of Secured Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed Secured Claim agrees to different treatment, on the later of the Effective Date and the date that is thirty (30) calendar days after the date such Secured Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, on account of such Allowed Claim, (a) payment in full in Cash in accordance with section 506(a) of the Bankruptcy Code from the Priority Reserve, (b) the collateral securing its Allowed Secured Claim, or (c) such other treatment so as to render such holder's Allowed Secured Claim Unimpaired.	Unimpaired	No (Presumed to Accept)	100%	$0 to $3,900,000

Class	Type of Claim or Interest	Treatment	Impairment	Entitled to Vote	Estimated Recovery	Estimated Claims
Class 3	General Unsecured Claims	Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Unsecured Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive such holder's General Unsecured Claim Distribution. General Unsecured Claim Distributions shall be made to holders of Allowed General Unsecured Claims as soon as reasonably practicable on the later of (i) thirty (30) calendar days after the GUC Cause of Action Completion Date and (ii) thirty (30) calendar days after such General Unsecured Claim becomes an Allowed Claim.	Impaired	Yes	25% to 30%	$3,600,000 to $4,000,000
Class 4	General Convenience Claims	Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Convenience Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Convenience Claim, each holder of an Allowed General Convenience Claim shall receive payment in Cash in an amount equal to 90% to 100% of such Allowed General Convenience Claim on the Effective Date or as soon as reasonably practicable thereafter. To the extent a General Convenience Claim is subject to an objection on the Effective Date, such General Convenience Claim shall be paid thirty (30) calendar days after such General Convenience Claim becomes an Allowed Claim (if applicable).	Impaired	Yes	90% to100%	$0 to $80,000

Class	Type of Claim or Interest	Treatment	Impairment	Entitled to Vote	Estimated Recovery	Estimated Claims
Class 5	Talc Claims	Pursuant to the Plan and the Trust Distribution Procedures, on the Effective Date, liability for all Talc Claims shall be permanently assumed by the Liquidation Trust without further act or deed and shall be resolved in accordance with the Trust Distribution Procedures. Except to the extent that a holder of an Allowed Talc Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and exchange for an Allowed Talc Claim, each such holder shall receive, from the Liquidation Trust, such holder's share of the TC Recovery Fund in accordance with the Trust Distribution Procedures.	Impaired	Yes	Unknown	Unknown
Class 6	Interests	As of the Effective Date, (a) all Interests shall be cancelled and shall be of no further force or effect and (b) the New Membership Interest shall be issued to the Liquidation Trust, in each case without further action by any Person or order of the Bankruptcy Court. From and after the Effective Date, the Liquidation Trust shall own the New Membership Interest solely for purposes of facilitating the orderly administration of the winding up and dissolution of the Liquidating Debtor. Holders of Interests shall not receive or retain any property or Distributions under the Plan on account of such Interests.	Impaired	No (Deemed to Reject)	0%	N/A

1.5 Additional Considerations for Holders of Class 3 General Unsecured Claims

The Plan offers holders of Allowed Class 3 General Unsecured Claims an election. The default treatment is for each holder of a Class 3 Claim to receive its Pro Rata share of the GUC Recovery Fund. A holder of an Allowed Class 3 General Unsecured Claim may irrevocably elect on the applicable Ballot to have their General Unsecured Claim treated as a Class 4 (General Convenience Claim) and vote to accept the Plan; provided, that if a holder's General Unsecured Claim exceeds the Convenience Claim Threshold, such holder's Claim shall be reduced to the Convenience Claim Threshold. The election is intended to provide a recovery on a faster timeline than is anticipated for General Unsecured Claims. The recovery for holders of Allowed Class 3 General Unsecured Claims who do not elect to make the Convenience Class Election is inherently

uncertain, as it depends on a number of factors, including the number of holders who make the Convenience Class Election and the recoveries obtained from the GUC Causes of Action.

The election can be viewed as a choice between (a) cash in a more certain amount payable on or shortly after the Effective Date, and (b) sharing in the value of the VLT Assets, which has the potential to be higher, but is more uncertain than the Cash recovery from the General Convenience Claim Recovery Fund, and the distribution of which may take years. It is also likely that holders of General Unsecured Claims will receive a lower recovery than holders of General Convenience Claims. However, General Convenience Claims can only be asserted in an amount up to the Convenience Claim Threshold.

The Plan Proponents believe that the division and allocation of value between Class 3 and Class 4 is fair under the circumstances and is a voluntary choice by General Unsecured Creditors who hold General Unsecured Claims in excess of the Convenience Claim Threshold.

Holders of Class 3 General Unsecured Claims are encouraged to consider this Disclosure Statement in its entirety and their risk tolerance when electing their treatment in accordance with the Plan.

1.6 Additional Considerations for Holders of Class 5 Talc Claims

Holders of Class 5 Talc Claims will have access to the TC Recovery Fund, which will be funded in accordance with the cash allocation waterfall set forth in Section 5.8 of the Plan. After the Effective Date, the TC Recovery Fund is expected to be funded from Post-Effective Date Available Cash, including Cash proceeds from Insurance Rights (other than the London Proceeds) and proceeds from the TC Causes of Action. The Debtor has rights to coverage under numerous Insurance Policies covering, among other things, certain talc-related personal injury liabilities and related defense and litigation costs, which may provide a potentially substantial source of recovery for holders of Allowed Talc Claims, though the realizable value of such coverage is subject to a number of factors and uncertainties.

II. PLAN VOTING AND SOLICITATION PROCEDURES

2.1 Solicitation Packages for the Plan

The Debtor will mail packages (the "**Solicitation Packages**") containing the information described below no later than the date that is five (5) business days after the Bankruptcy Court enters the Disclosure Statement Order.[11] The Solicitation Packages contain the following enclosures:

(a) If the recipient is in Class 3 (General Unsecured Claims), Class 4 (General Convenience Claims), or Class 5 (Talc Claims), the only Voting Classes, and is entitled to vote on the Plan: (i) the Disclosure Statement Order (as entered by the Court and without exhibits), (ii) the Confirmation Hearing Notice, in substantially the form attached as Exhibit 1 to the Disclosure Statement Order, (iii) a USB flash drive containing a copy of this Disclosure Statement with all exhibits, including the Plan with its exhibits (to the extent such exhibits were filed with the Court before the distribution of the Solicitation Package), (iv) a Ballot for such holder, customized as appropriate, (v) a postage-prepaid, pre-addressed return envelope, (vi) a link to the Case Website containing the Plan and this Disclosure Statement, and (vii) any other materials ordered by the Court to be included as part of the Solicitation Package; and

(b) If the recipient is in any other Class, all of which are Non-Voting Classes, or is not otherwise entitled to vote on the Plan: (i) the Confirmation Hearing Notice, (ii) the applicable Notice of Non-Voting Status, and (iii) a link to the Case Website containing the Plan and this Disclosure Statement.

2.2 Voting Procedures and Requirements

(a) Voting Classes. As set forth below, the Claims in the Voting Classes are impaired under the Plan and are the only Classes of Claims entitled to vote to accept or reject the Plan.

(b) Eligible Holders. A claimant that holds a Claim in Class 3 (General Unsecured Claims), Class 4 (General Convenience Claims), or Class 5 (Talc Claims) as of the Voting Record Date is entitled to vote on the Plan (an "Eligible Holder") unless:

(i) as of the Voting Record Date, such holder's Claim has been Disallowed, expunged, disqualified, or suspended;

(ii) other than with respect to any Talc Claims, such holder's Claim is filed in the amount of $0.00;

(iii) other than with respect to any Talc Claims, such holder's Claim is not listed in the Schedules, or such holder's Claim is scheduled as contingent,

[11] This Article II of the Disclosure Statement contains summaries of the Solicitation and Voting Procedures. In the event of any inconsistency between the summaries contained herein and the provisions of the Disclosure Statement Order, the terms of the Disclosure Statement Order shall control.

unliquidated, or disputed, in the amount of $0.00, or unknown, and a proof of Claim was not (i) timely filed by the applicable Bar Date or (ii) deemed timely filed by an Order of the Court before the Voting Deadline (unless the Debtor has consented in writing); or

(iv) such holder's Claim is subject to an objection or request for estimation as of October 13, 2026, subject to the procedures set forth in the Disclosure Statement Order.

(c) Voting Record Date. The record date for determining which creditors are entitled to vote on the Plan is September 29, 2026 (the "**Voting Record Date**"). Only holders of Claims as of the Voting Record Date shall be entitled to vote to accept or reject the Plan.

(d) Temporary Allowance/Disallowance. Solely for purposes of voting to accept or reject the Plan and not for the purpose of the allowance of, or distribution on account of, a Claim, and without prejudice to the rights of the Debtor in any other context, each Claim within the Voting Classes entitled to vote to accept or reject the Plan is temporarily allowed for voting purposes in an amount equal to the liquidated, non-contingent amount of such Claim set forth in the Schedules or timely filed proof of Claim, as applicable, subject to the following exceptions:

(i) As of the Voting Deadline, such creditors' Claim relates to a debt or obligation the Debtor or another party has already paid or otherwise satisfied;

(ii) If a Claim is deemed Allowed under the Plan, such Claim is allowed for voting purposes in the deemed Allowed amount set forth in the Plan;

(iii) Any Talc Claim, regardless of whether such Talc Claim is marked as wholly or partially contingent or non-contingent, liquidated or unliquidated, disputed or undisputed, is accorded one (1) vote and valued in accordance with the following: (i) for Direct Talc Claims, only in an amount based upon the type of disease that forms the basis for such holder's asserted Talc Claim and (ii) for Indirect Talc Claims, in the amount of $100.00, each as disclosed on the applicable Class 5 Talc Claims Master Ballot or Class 5 Talc Claims Claimholder Ballot, as designated by the claimant or its attorney for such Talc Claim, for voting purposes only with respect to the Plan, and not for purposes of allowance or distribution;

(iv) If a Claim, other than a Talc Claim, for which a proof of Claim has been timely filed, is marked as wholly contingent, unliquidated, or disputed (based on the face of such proof of Claim or as determined upon the review of the Claim and its supporting documentation by the Debtor or the Solicitation Agent), such claim shall be allowed for voting purposes only with respect to the Plan, and not for purposes of allowance or distribution, one (1) vote at $1.00, unless such claim is disputed in the manner set forth in subparagraph xiv below;

(v) If a Claim, other than a Talc Claim, for which a proof of Claim was timely filed, lists an amount that is partially unliquidated or contingent, such Claim

shall be temporarily allowed for voting purposes only with respect to the Plan only in the liquidated, noncontingent amount set forth on the proof of Claim, unless such Claim is disputed in the manner set forth in subparagraph xiv below;

(vi) If a Claim, other than a Talc Claim, for which a proof of Claim was timely filed, lists an amount that is wholly liquidated, non-contingent, and undisputed such Claim is temporarily allowed for voting purposes only in the amount set forth on the proof of Claim, unless such Claim is disputed as set forth in subparagraph xiv below;

(vii) If a Claim has been estimated or otherwise allowed for voting purposes by order of this Court, such Claim is temporarily allowed in the amount so estimated or allowed by this Court for voting purposes only;

(viii) If the voting amount of a Claim has been established by a stipulation, settlement, or other agreement with the Debtor, such Claim shall be allowed for voting purposes only with respect to the Plan, and not for purposes of allowance or distribution, in the stipulated, settled, or otherwise agreed-to amount; *provided*, that any such stipulation, settlement, or agreement establishing a voting amount shall be filed with the Court;

(ix) Any claimant who has filed or purchased duplicate Claims within the same Class will be provided with only one (1) Solicitation Package (as defined below) and one (1) Ballot for voting a single Claim in such Class (based on the reasonable efforts of the Debtor), regardless of whether the Debtor has objected to such duplicate Claim;

(x) Each entity that holds or has filed more than one (1) non-duplicative Claim within a particular Class shall be treated as if such entity has only one (1) Claim in such Class in the aggregate dollar amount of such Claims;

(xi) If a proof of Claim has been amended by a later proof of Claim that is timely filed, the later filed amending claim shall be entitled to vote in a manner consistent with these tabulation rules, and the earlier filed claim shall be disallowed for voting purposes, regardless of whether the Debtor has objected to such amended claim, and except as otherwise ordered by the Court, any amendments to Proofs of Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules;

(xii) If a Claim is filed in a currency other than U.S. Dollars and is not Allowed in a sum certain pursuant to the Plan, the holder of such Claim shall be entitled to vote a Claim in the amount of $1.00;

(xiii) If the Debtor has filed an objection to or a request for estimation of a Claim on or before October 13, 2026 (as such date may be extended by order of the Court) (each, a "**Disputed Claim**"), such Disputed Claim is temporarily disallowed for voting purposes, provided that if the Debtor's objection seeks to reclassify or reduce the allowed amount of such Claim, then such Claim is

temporarily allowed for voting purposes in the reduced amount and/or as reclassified, except as may be otherwise ordered by this Court before the Voting Deadline; or

(xiv) If any claimant seeks to challenge the allowance of its Claim for voting purposes, including in response to an objection to its Claim, such claimant shall file with the Court a motion for an order pursuant to Bankruptcy Rule 3018(a) temporarily allowing such Claim for voting purposes in a different amount (a "**Rule 3018 Motion**"). Any Rule 3018 Motion must be filed on or before October 27, 2026 at 5:00 p.m. (prevailing Eastern Time) (the "**Rule 3018(a) Motion Deadline**"). The Debtor and any party in interest shall have until November 3, 2026 at 5:00 p.m. (prevailing Eastern Time) to file and serve a response to any Rule 3018 Motion. In accordance with Bankruptcy Rule 3018, any Ballot submitted by a claimant that files a Rule 3018 Motion will be counted solely in accordance with the tabulation procedures herein unless and until the underlying Claim is temporarily allowed by the Court for voting purposes in a different amount, after notice and a hearing.

2.3 Voting Deadline and Solicitation Agent

The Debtor has engaged Kurtzman Carson Consultants LLC d/b/a Verita Global as solicitation and voting agent (the "**Solicitation Agent**"), to assist in the transmission of voting materials and in the tabulation of votes with respect to the Plan. FOR YOUR VOTE TO BE COUNTED, YOUR VOTE MUST BE ACTUALLY RECEIVED BY THE SOLICITATION AGENT AT THE ADDRESS SET FORTH BELOW OR ELECTRONICALLY RECEIVED IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH ON THE BALLOT ON OR BEFORE NOVEMBER 3, 2026 AT 5:00 P.M. (PREVAILING EASTERN TIME) (THE "**VOTING DEADLINE**"), UNLESS EXTENDED BY THE DEBTOR.

If a Ballot is damaged or lost, claimants may contact the Solicitation Agent to receive a replacement Ballot. Any Ballot that is executed and returned but which does not indicate a vote for acceptance or rejection of the Plan will not be counted. If claimants have any questions concerning the voting procedures, claimants may contact the Solicitation Agent at:

Vanderbilt Claims Processing Center
c/o KCC dba Verita
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245
Submit an inquiry: www.veritaglobal.net/vanderbilt/inquiry or
Phone (Toll-Free): (888) 733-1416 (Domestic)
Phone (if calling from outside the U.S. or Canada): +1 (310) 751-2630

Copies of the Disclosure Statement are also available on the Solicitation Agent's website: https://www.veritaglobal.net/Vanderbilt (the "**Case Website**").

2.4 Voting Procedures for General Unsecured Claims

All Ballots must be signed by the holder of record of the Claim or such holder's authorized signatory (or, if applicable, an authorized representative of such holder) and comply with the procedures set forth in the Disclosure Statement Order. As set forth in the Disclosure Statement Order, unless otherwise ordered by the Bankruptcy Court, Ballots will not be counted and the rejection of such Ballot thereto will be documented in the Voting Certification if a claimant fails to comply with the solicitation and voting procedures (such procedures, the "**Solicitation and Voting Procedures**"), including by, among other things, submitting a Ballot:

(a) after the Voting Deadline, unless the Debtor shall have granted, or the Court shall have ordered, an extension of the Voting Deadline in writing with respect to such Ballot, and any such extensions shall be documented in the Voting Certification;

(b) that is illegible or contains insufficient information to permit the identification of the claimant;

(c) cast by a person or entity that does not hold a Claim in a Voting Class as of the Voting Record Date;

(d) cast by a person who is not entitled to vote, even if such individual holds a Claim in a Voting Class;

(e) that is unsigned; provided that any Ballot cast via the E-Ballot Portal will be deemed to contain an electronic signature;

(f) which the Court determines, after notice and a hearing, that such vote was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code;

(g) transmitted to the Solicitation Agent by means not specifically approved herein;

(h) if a holder of a Claim casts a Ballot that is properly completed, executed, and timely returned to the Solicitation Agent, but does not indicate either an acceptance or rejection of the Plan;

(i) if a holder of a Claim casts a Ballot that is properly completed, executed, and timely returned to the Solicitation Agent, but indicates both an acceptance and a rejection of the Plan;

(j) a holder of a Claim shall be deemed to have voted the full amount of its Claim in each Class and shall not be entitled to split its vote within a particular Class. Any Ballot that partially accepts and partially rejects the Plan will not be counted; or

(k) if multiple Ballots are received from a Holder of a Claim for the same Claim, the latest dated otherwise valid Ballot that is received prior to the applicable Voting Deadline shall be the Ballot that is counted as a vote on the Plan. Notwithstanding the

foregoing, if multiple Ballots are received from a Holder of a Claim for the same Claim, and the latest dated Ballot is received after the Voting Deadline, such Ballot must comply with the process and requirements set forth in Bankruptcy Rule 3018 to be counted. The Solicitation Agent shall file with the Court a list of any vote changes received after the Voting Deadline, and such list shall be included in a written certification (the "**Voting Certification**") of the amount and number (as applicable) of Allowed Claims in the Voting Classes that vote to accept or reject the Plan.

To assist in the solicitation process, the Solicitation Agent is authorized, but is not required, to contact parties that submit incomplete or otherwise deficient Ballots to cure such deficiencies.

The Debtor reserves the right to waive any defect in any Ballot at any time, whether before or after the Voting Deadline, and without prior notice, except that the Debtor shall not waive the requirement that a claimant certify that it holds a valid Claim against the Debtor. The Solicitation Agent shall file with the Court a list of any such waivers and the defects waived, and such list shall be included in the Voting Certification.

Under the Bankruptcy Code, for purposes of determining whether the requisite votes for acceptance have been received, only holders of Claims within the Voting Classes who actually vote will be counted. The failure of a holder to timely deliver a duly executed Ballot to the Solicitation Agent will be deemed to constitute an abstention by such holder with respect to voting on the Plan and such abstentions will not be counted as votes for or against the Plan.

If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or another, acting in a fiduciary or representative capacity, such person should indicate such capacity when signing. The authority of the signatory of each Ballot to complete and execute the Ballot shall be presumed, but by executing a Ballot, each signatory certifies that he or she has such authority and shall provide evidence of such authority upon request of the Solicitation Agent.

UNLESS THE BALLOT IS SUBMITTED TO THE SOLICITATION AGENT ON OR PRIOR TO THE VOTING DEADLINE, SUCH BALLOT WILL BE REJECTED AS INVALID AND WILL NOT BE COUNTED AS AN ACCEPTANCE OR REJECTION OF THE PLAN; *PROVIDED, HOWEVER*, (I) THE DEBTOR RESERVES THE RIGHT TO EXTEND THE VOTING DEADLINE WITH RESPECT TO A BALLOT AND (II) THE COURT MAY ORDER THE VOTING DEADLINE EXTENDED WITH RESPECT TO A BALLOT.

2.5 Special Voting Procedures for the Holders of Talc Claims

As described in the Disclosure Statement Order and Section 2.2(d) of this Disclosure Statement, each Talc Claimant is entitled to vote its Talc Claim in accordance with the following: (i) for Direct Talc Claims, only in an amount based upon the type of disease that forms the basis for such holder's asserted Talc Claim and (ii) for Indirect Talc Claims, in the amount of $100.00, for voting purposes only.

In addition to the foregoing generally applicable voting and ballot tabulation procedures, the following procedures shall apply to holders of Talc Claims:

(a) Subject to the procedures set forth in subparagraph (e) below, each holder of a Talc Claim will have a single vote on the Plan in Class 5 (Talc Claims) and such Talc Claim shall be allowed for plan voting and tabulation purposes in accordance with the following: (i) for Direct Talc Claims, only in an amount based upon the type of disease that forms the basis for such holder's asserted Talc Claim and (ii) for Indirect Talc Claims, in the amount of $100.00. For each holder of a Direct Talc Claim, only one (1) disease category may be selected on a Ballot for each such holder and, in the event more than one (1) disease category is selected by or on behalf of such holder of a Direct Talc Claim, only the selected disease category with the highest dollar value will be counted for voting purposes.

(b) In the event a Ballot fails to indicate the disease category of a holder of a Direct Talc Claim, the vote of the holder of such Talc Claim shall be counted and valued for purposes of voting on the Plan as an "Other Disease Claim."

(c) Ballots received by the Solicitation Agent that list a disease that does not exactly correspond to the disease levels set forth in the Ballots will be designated and valued as an "Other Disease Claim."

(d) Any holder of a Talc Claim who wishes to vote its Claim in an amount greater than the applicable amount prescribed above must file a Rule 3018 Motion by the Rule 3018(a) Motion Deadline requesting temporary allowance of such Talc Claim for voting purposes in an amount greater than the applicable amount prescribed above.

(e) No vote in favor of or against the Plan by or on behalf of a holder of a Talc Claim shall be counted by the Solicitation Agent unless the Ballot reflecting such vote is timely submitted to the Solicitation Agent with the written certifications contained on the Ballot.

(i) **Certification for Class 5 (Talc Claims) Claimholder Ballots**. Class 5 (Talc Claims) Claimholder Ballots voted by, or on behalf of, a holder of a Talc Claim shall contain an acknowledgement and certification, *inter alia*, that (a) the person signing the Class 5 (Talc Claims) Claimholder Ballot has received the documents included in the Solicitation Package; and (b) to the best of his or her knowledge, information, and belief, formed after an inquiry reasonable under the circumstances, (1) the person signing the Class 5 (Talc Claims) Claimholder Ballot holds a Talc Claim (as defined in the Plan) against the Debtor or is an agent authorized to submit the Class 5 (Talc Claims) Claimholder Ballot on behalf of such holder; and (2) for Direct Talc Claims, the talc-related disease attributed to such Talc Claim is the disease category designated on the Class 5 (Talc Claims) Claimholder Ballot, based on medical records or similar documentation regarding the person who has or had such disease.

(ii) **Certification for Class 5 (Talc Claims) Master Ballots**. Class 5 (Talc Claims) Master Ballots voted on behalf of holders of Direct Talc Claims shall contain an acknowledgement and certification, inter alia, that (a) the attorney signing the Master Ballot has received the documents included in the Solicitation Package; (b) the attorney signing the Master Ballot is authorized under applicable law by each of the holders of Talc Claims listed on the exhibit accompanying the Master Ballot to vote on behalf of such holders; and (c) to the best of such attorney's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances, (1) each claimant identified on such exhibit has a Talc Claim against the Debtor; and (2) the talc-related disease attributed to such Talc Claim is the disease category designated on the Class 5 (Talc Claims) Master Ballot, based on medical records or similar documentation regarding the person who has or had such disease.

(f) Attorneys who represent individual holders of Direct Talc Claims shall be permitted to cast Class 5 (Talc Claims) Master Ballots for such holders, but only to the extent such attorneys have the authority under applicable law to do so pursuant to a power of attorney, or are recording and submitting such vote based on such holder's affirmative consent, and so certify to one of the options below and on the Class 5 (Talc Claims) Master Ballots respecting such Talc Claims.

(i) "**Option A Certification**": With respect to each client identified on the Class 5 (Talc Claims) Master Ballot Exhibit (as defined in the Disclosure Statement Order) for whom "Option A Certification" is selected, if any, such client is represented by me, and I have collected and recorded the vote of such client through customary and accepted practices, or have been authorized, consistent with applicable law, to procedurally cast such client's vote. I have complied with all terms, instructions, and conditions set forth in this Class 5 (Talc Claims) Master Ballot and the Disclosure Statement. Each such client has indicated his or her affirmative consent with respect to such vote under applicable law.

(ii) "**Option B Certification**": With respect to each client identified on the Class 5 (Talc Claims) Master Ballot Exhibit for whom "Option B Certification" is selected, if any, such client is represented by me, and I have the authority under a power of attorney to vote to accept or reject the Plan on behalf of such client's Talc Claim for which a vote is cast on the Class 5 (Talc Claims) Master Ballot Exhibit. I have completed this Class 5 (Talc Claims) Master Ballot Exhibit in accordance with the power granted to me/my law firm, and I have complied with all terms, instructions and conditions set forth in this Class 5 (Talc Claims) Master Ballot and the Disclosure Statement.

For the avoidance of doubt, any engagement letter upon which an attorney is relying to cast a vote on behalf of their client's Talc Claim must include language expressly granting a power of attorney to vote on behalf of such client's Talc Claim under applicable law.

No supporting documentation such as medical records should be included when submitting any documents, including a Ballot, to the Solicitation Agent. Each attorney voting on behalf of the individuals he or she represents who hold Talc Claims shall complete a Class 5 (Talc Claims) Master Ballot, which will set forth the votes cast by such attorney on behalf of any such clients.

(g) The Class 5 (Talc Claims) Master Ballot shall contain the following options for voting, one of which shall be marked by the attorney:

(i) "All Class 5 Talc Claims listed on the Class 5 (Talc Claims) Master Ballot Exhibit ACCEPT / VOTE IN FAVOR OF the Plan."

ii. "All Class 5 Talc Claims listed on the Class 5 (Talc Claims) Master Ballot Exhibit REJECT / VOTE AGAINST the Plan."

iii. "Some of the individuals listed on the Class 5 (Talc Claims) Master Ballot Exhibit ACCEPT / VOTE IN FAVOR OF the Plan while other individuals listed on such Exhibit REJECT / VOTE AGAINST the Plan."

(h) The attorney completing the Class 5 (Talc Claims) Master Ballot also will have to complete a summary of votes on the Plan for each disease category of Talc Claims for which the attorney is voting on the Plan substantially in the form set forth in Exhibit 4 of the Disclosure Statement Order.

(i) If the attorney is unable to make such certifications on behalf of any holder of a Talc Claim whom he or she represents, the attorney shall not cast a vote on behalf of such claimant; rather, the attorney must timely send to the Solicitation Agent the information relating to the name and address of the claimant, so the Solicitation Agent can solicit such claimant directly. The attorney must provide the Solicitation Agent the aforementioned information by emailing vanderbiltinfo@veritaglobal.com for each of the attorney's clients for whom he or she may not vote in accordance with these procedures.

(j) Each attorney completing a Class 5 (Talc Claims) Master Ballot shall prepare a spreadsheet in the form shown on the Class 5 (Talc Claims) Master Ballot. This spreadsheet will become an exhibit to the Class 5 (Talc Claims) Master Ballot and must clearly identify the attorney's law firm on each page and list in separate columns the following information for each holder of a Talc Claim on whose behalf the attorney is voting: (a) the last name of the claimant; (b) the first name of the claimant; (c) the last 4 digits of the Social Security Number of the claimant (if claimant has not been issued a Social Security Number, the attorney must check the appropriate box); (d) the birth date of the claimant; (e) the disease level of the claimant; and (f) whether the claimant votes to ACCEPT (vote in favor of) or to

REJECT (vote against) the Plan. A Class 5 (Talc Claims) Master Ballot that does not contain the aforementioned information may be deemed defective and not accepted by the Debtor for voting purposes on the Plan.

(k) The Class 5 (Talc Claims) Master Ballot Exhibit must be submitted with the Class 5 (Talc Claims) Master Ballot through the E-Ballot Portal, available under "Submit Electronic Ballot (E-Ballot)" at https://www.veritaglobal.net/Vanderbilt.

(l) If there is a conflict between the information reflected in the summary table described in subparagraph (h) and the information reflected on the spreadsheet described in subparagraph (j), the information reflected on the spreadsheet will control and be used for tabulation purposes.

(m) If a Ballot is signed by a trustee, executor, guardian, attorney-in-fact, officer of a corporation, or any other entity acting in a fiduciary or representative capacity, the signatory must indicate such capacity when signing. The authority of the signatory of each Ballot to complete and execute the Ballot shall be presumed, but by executing a Ballot, each signatory certifies that he or she has such authority, and shall provide evidence of such authority upon request of the Solicitation Agent.

(n) A vote cast on a Ballot with respect to Talc Claims will not be counted if any of the following applies to such Ballot or any particular vote on any Ballot:

i. The Ballot is submitted by or on behalf of a Person or Entity that does not hold a Talc Claim as of the Voting Record Date.

ii. If a Ballot is submitted by a claimant directly to the Solicitation Agent and the same claimant is also included in a Class 5 (Talc Claims) Master Ballot, the Ballot submitted by the claimant will be counted and will supersede any vote returned in a Class 5 (Talc Claims) Master Ballot on behalf of that claimant.

iii. If multiple Ballots are received on account of the same holder on the same Talc Claim, but are submitted by different attorneys or agents, the holder's vote will be counted only once and only if the votes on each Ballot are consistent (with the vote on the last properly completed, dated, Ballot received to be counted and supersede any prior received Ballot(s)). If the votes are not consistent, the Solicitation Agent may, but is not obligated to, contact the relevant attorneys or agents, with notice of such communication to counsel to the Debtor, and request that the attorneys or agents coordinate with each other to resolve the conflicting representation, and for the appropriate attorney or agent to send an email to the Solicitation Agent, copying all affected attorneys and the Debtor confirming such resolution. If representation of the holder of the Claim is not resolved before the earlier of (a) ten (10) calendar days from the

notice of the conflict as provided by the Solicitation Agent or (b) the Voting Deadline, such votes shall not be counted.

iv. The Ballot is submitted to a Person or Entity other than the Solicitation Agent.

v. The Ballot is not actually received by the Solicitation Agent by the Voting Deadline, unless the Debtor shall have granted in writing an extension of the Voting Deadline with respect to such Ballot (or vote), or the Court shall have granted such an extension.

vi. The Ballot is returned to the Solicitation Agent indicating a vote on the Plan but is unsigned; provided, however, for the avoidance of doubt, a signature contained in (a) any Master Ballot submitted via the Attorney Portal and (b) any Ballot submitted via the E-Ballot Portal will be deemed to be an original signature.

vii. The Ballot is illegible or contains insufficient information to permit the identification of the claimant.

viii. The Class 5 (Talc Claims) Master Ballot and Class 5 (Talc Claims) Master Ballot Exhibit is transmitted to the Solicitation Agent by any means beyond what is authorized.

ix. The Ballot is submitted in a form that is not the appropriate Ballot for such Claim.

x. A Ballot or a vote on a Class 5 (Talc Claims) Master Ballot is returned to the Solicitation Agent: (a) indicating neither acceptance nor rejection of the Plan; (b) indicating both acceptance and rejection of the Plan; or (c) indicating partial rejection and partial acceptance of the Plan.

xi. The Ballot is not completed (including, without limitation, (a) a Class 5 (Talc Claims) Master Ballot on which the attorney fails to make the required certification, (b) a Ballot submitted by a holder of a Direct Talc Claim that does not provide the last four digits of the claimant's Social Security Number or have the appropriate box checked indicating that such claimant has not been issued a Social Security Number, or (c) a Ballot submitted by a holder of a Direct Talc Claim that does not provide the date of birth of the claimant).

2.6 Impairment and Acceptance of the Plan

Under the Bankruptcy Code, only holders of claims or interests in "impaired" classes are entitled to vote on a plan. Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" under a plan unless: (i) the plan leaves unaltered the legal, equitable, and contractual rights to which such Claim or interest entitles the holder thereof; or

(ii) notwithstanding any legal right to an accelerated payment of such Claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan, and, accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan and, accordingly, holders of such claims and interests are not entitled to vote on the Plan.

The Bankruptcy Code defines "acceptance" of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the claims that cast ballots for acceptance or rejection of the plan.

A vote may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

2.7 Confirmation under Section 1129(b) of the Bankruptcy Code

Section 1129(b) of the Bankruptcy Code permits the confirmation of a chapter 11 plan notwithstanding the rejection of such plan by one or more impaired classes of claims or interests. This is commonly known as "cram down." Under section 1129(b), a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each rejecting class. In this case, if a Class of Claims or Interests is deemed to reject the Plan or is entitled to vote on the Plan and does not vote to accept the Plan, the Debtor may (i) seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code (known as the "cram down" provision) or (ii) amend or modify the Plan in accordance with the terms thereof and the Bankruptcy Code. If a controversy arises as to whether any Claims or Interests, or any class of Claims or Interests, are impaired, the Bankruptcy Court will, after notice and a hearing, resolve such controversy on or before the Confirmation Date. A more detailed description of the requirements for confirmation of a nonconsensual plan is set forth in Sections 10.1(d)-(f) of this Disclosure Statement.

2.8 Confirmation Hearing and Objection Deadline

(a) Confirmation Hearing. The hearing on confirmation of the Plan (the "Confirmation Hearing") will be held before the Honorable Chief Judge Wendy A. Kinsella, United States Bankruptcy Judge, in the James M. Hanley United States Courthouse and Federal Building, 100 South Clinton Street, Syracuse, New York, on December 7, 2026, at 3:00 p.m. (prevailing Eastern Time). The Confirmation Hearing may be adjourned from time to time by the Debtor or the Bankruptcy Court without further notice except for a notice reflecting the adjourned date that is filed with the Bankruptcy

Court or an announcement of the adjourned date made at the Confirmation Hearing or any subsequent adjourned confirmation hearing.

(b) Plan Objection Deadline. Pursuant to the Disclosure Statement Order, objections, if any, to confirmation of the Plan must be filed on or before November 10, 2026, at 5:00 p.m. (prevailing Eastern Time) (the "**Plan Objection Deadline**"). Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules, must set forth the name of the objector, the nature and amount of the Claims held or asserted by the objector against the Estate, the basis for the objection and the specific grounds therefore, and must be filed with the Bankruptcy Court, together with proof of

service thereof, and served upon the following parties, including such other parties as the Bankruptcy Court may order:

Counsel to the Debtor Bond, Schoeneck & King, PLLC One Lincoln Center Syracuse, NY 13202-1355 Attn: Charles J. Sullivan Grayson T. Walter Andrew S. Rivera Email: csullivan@bsk.com gwalter@bsk.com arivera@bsk.com -AND- Latham & Watkins LLP 1271 Avenue of the Americas New York, NY 10020 Attn: Ray C. Schrock George A. Davis Jamie L. Wine Anupama Yerramalli Email: ray.schrock@lw.com george.davis@lw.com jamie.wine@lw.com anu.yerramalli@lw.com -and- 10250 Constellation Blvd., Suite 1100 Los Angeles, CA 90067 Attn: Jeffrey E. Bjork Kimberly A. Posin Email: jeff.bjork@lw.com kim.posin@lw.com	***Office of the United States Trustee*** Office of the U.S. Trustee for the Northern District of New York 100 State St., Suite 4230 Rochester, NY 14614 Attn: Erin P. Champion Email: erin.champion@usdoj.gov ***Counsel to the Creditors' Committee*** Caplin & Drysdale, Chartered 1200 New Hampshire Ave NW, 8th Floor Washington DC, 20036 Attn: Kevin C. Maclay Todd E. Phillips Kevin M. Davis Email: kmaclay@capdale.com tphillips@capdale.com kdavis@capdale.com -AND- Brown Rudnick LLP Seven Times Square New York, NY 10036 Attn: David J. Molton Jeffrey L. Jonas Eric R. Goodman D. Cameron Moxley Gerard T. Cicero Susan Sieger-Grimm Email dmolton@brownrudnick.com jjonas@brownrudnick.com egoodman@brownrudnick.com cmoxley@brownrudnick.com gcicero@brownrudnick.com ssieger-grimm@brownrudnick.com

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

III. OVERVIEW OF THE DEBTOR

3.1 The Debtor's Overview and Corporate History

The Debtor, Vanderbilt Minerals, LLC, formerly mined, processed and distributed worldwide industrial minerals, primarily various clays, that were used in pharmaceutical, agriculture, personal care, coating, adhesive, construction, industrial and household products. Prior to the Sale described below, the Debtor operated mines and processing facilities in New York, North Carolina, South Carolina and Nevada, and mines in Arizona and California, and had approximately 125 full-time employees. The Debtor is headquartered in Norwalk, Connecticut, and is a wholly owned subsidiary of Holdings.

The Debtor is the legal successor to R.T. Vanderbilt Company, Inc. ("**RTVC**"), and operated RTVC's historic mining business. The Debtor has no ownership interest in RTVC's former chemicals business, which today operates as Vanderbilt Chemicals, LLC, a separate non-debtor affiliate under Holdings.

RTVC was founded in New York City in 1916 by Robert T. Vanderbilt. Initially, RTVC's business focused on mining clay for use in the manufacture of paper products. By the 1920s, RTVC had shifted to producing mineral fillers for use in the rubber industry, and around that time RTVC established Vanderbilt Research Laboratories in Norwalk, Connecticut, where RTVC eventually moved its headquarters and where the Debtor remains based today. In 1920, RTVC organized its Specialties Department, focused on research and development of new uses for clay and pyrophyllite minerals, and in 1922, RTVC expanded into ceramics through contracts with pottery manufacturers engaged in the production of ceramic plumbing fixtures.

Over time, RTVC's product lines expanded into wollastonite, bentonite clay, kaolin clay, and other industrial minerals used in construction coatings, ceramics, refractories, and life sciences applications such as pharmaceuticals, personal care, animal care, agriculture, and horticulture. In 1976, RTVC acquired significant deposits of newly discovered high-purity wollastonite ore near the Gouverneur Talc Company and began mining wollastonite in 1977. Prior to the Sale described in Section 5.6 below, the Debtor was one of only two continuous domestic miners of wollastonite in the United States. Prior to 2008, a predecessor in interest to the Debtor also mined and sold industrial talc, which is the source of the talc-related litigation and judgments described in Section 4.2 below.

As of the Petition Date, the Debtor did not have any secured funded debt and had approximately $4.0 million in trade debt outstanding. The Debtor's most significant liabilities relate to talc-related indemnity and defense costs, described in further detail in Section 3.5 below.

The Debtor's principal properties consisted of mines and processing facilities located in New York, North Carolina, South Carolina, Nevada, Arizona, and California, together with the Debtor's headquarters. Following consummation of the Sale described in Section 5.6 below, the Debtor retained only limited assets, including residual talc inventory which is being stored or disposed of consistent with the *Order Pursuant to Sections 105(a), 363(b) and 363(c) of the Bankruptcy Code (I) Authorizing the Debtor to Dispose of Certain Valueless Assets Without Further Court Approval and (II) Granting Related Relief* [Docket No. 748], and certain mining

claims in Nevada and California, which are expected to be transferred or abandoned in the near future pursuant to further court order.

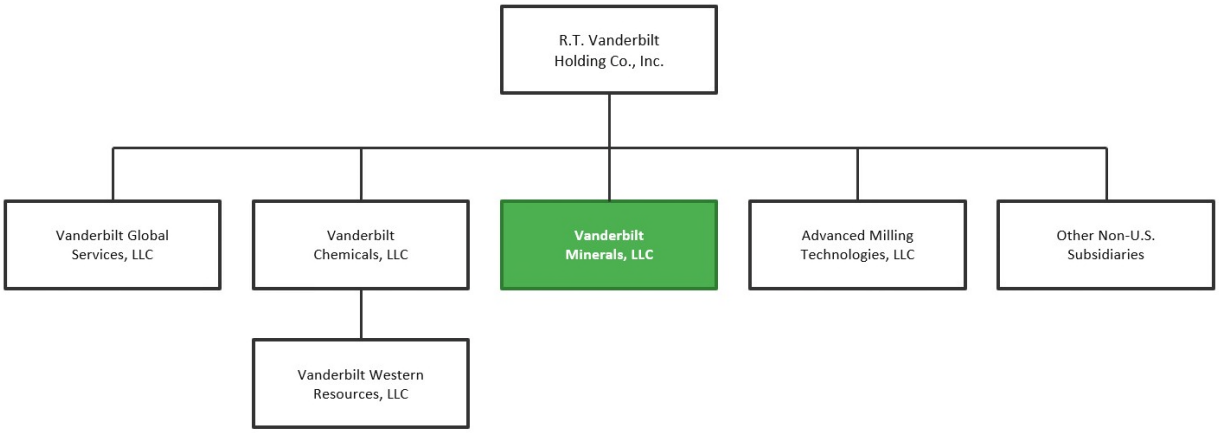
3.2 The Debtor's Assets and Operations

The Debtor was a specialty minerals company that, prior to the Sale, operated mines and processing facilities in six states, mining bentonite clay, kaolin clay, pyrophyllite and wollastonite, and processing and selling products used in industrial applications (such as construction coatings, ceramics and refractories) and life sciences (such as pharmaceuticals, personal care, animal care, agriculture and horticulture). The Debtor has no subsidiaries.

As a result of the 2012 Restructuring Transactions (as defined and described below), the Debtor's assets included, among other things, the Dixie Clay Division, the Gouverneur Division, the Standard Mineral Division, the Western Division, Resale Product Brands, and the trade names and formulas for the VEEGUM® family of products, together with the liabilities associated with those businesses. The Debtor also maintains its own bank accounts, books and records and management structure, while outsourcing typical back-office functions, such as human resources, accounting, and information technology, to a third-party affiliate.

The Debtor is a wholly owned subsidiary of Holdings, which was first incorporated in 2012 in connection with the 2012 Restructuring Transactions.

Holdings' other subsidiaries include Vanderbilt Chemicals, LLC ("**Chemicals**"), Vanderbilt Global Services, LLC ("**Global Services**"), Advanced Milling Technologies, LLC ("**AMT**"), and Vanderbilt Worldwide, Ltd. ("**Worldwide**"), none of which are debtors in the Chapter 11 Case. These entities, together with Holdings, are collectively referred to herein as the "**Vanderbilt Entities.**"



As described in further detail below, the Sale of substantially all of the Debtor's assets was consummated with VM Buyer LLC, an affiliate of Riverspan Partners Fund I LP, on June 10, 2026.

The Debtor's board of managers consists of Ben Pickering, who serves as Independent Manager and sole member of the Debtor's Independent Special Committee. Mr. Pickering was

appointed on September 15, 2025 pursuant to resolutions of the Debtor's board of managers to strengthen corporate governance and to oversee the Debtor's review of intercompany transactions and relationships with Holdings and its other subsidiaries.

On the Petition Date, the Debtor had approximately 125 full-time employees. Dean Vomero has served as the Debtor's Chief Restructuring Officer since his appointment in May 2025. Mr. Vomero is also a Managing Director at Applied Business Strategy LLC, which he co-founded, and has over 30 years' experience advising distressed companies.

3.3 The 2012 Restructuring Transactions

Prior to the 2012 Restructuring Transactions, RTVC operated two discrete businesses. In an effort to modernize its corporate structure, RTVC engaged in a series of restructuring transactions (the "**2012 Restructuring Transactions**") that separated its chemicals and mining businesses into separate legal entities. This resulted, among other things, in the creation of the Debtor, which is the legal successor to historic RTVC and operated RTVC's historic mining business. The Debtor's headquarters have been located in Norwalk, Connecticut since RTVC first established its research laboratories there, and the Debtor has operated from that location continuously since the 2012 Restructuring Transactions.

In connection with the 2012 Restructuring Transactions, the Debtor entered into a series of intercompany services agreements with certain of its affiliates. Subsequently, in January 2026, the Debtor entered into two additional intercompany services agreements with non-debtors Chemicals and AMT. In addition to the intercompany services agreements, as described in more detail below, the Debtor and Holdings were party to an intercompany promissory note (as amended and restated, the "**Holdings Promissory Note**").

3.4 The Debtor's Relationship with Holdings and Non-Debtor Affiliates

The Debtor and Holdings were party to the Holdings Promissory Note pursuant to which the principal amount owed by Holdings to the Debtor was approximately $27.9 million as of the Petition Date, with interest accruing at 4% per annum, amortized at approximately $3.0 million per year, and maturing on January 1, 2037. Payments of principal and interest were due quarterly, and Holdings and the Debtor each maintained the right to set off amounts owed under the Holdings Promissory Note against amounts owed under certain agreements between the Debtor and Holdings.

Chemicals is a borrower under that certain Amended and Restated Credit and Security Agreement, dated as of March 9, 2018, between Chemicals, as borrower, Holdings, as guarantor, and Wells Fargo Bank, National Association, as lender (the "**Chemicals Lender**"), as such agreement has been or may be amended from time to time (the "**Chemicals Credit Agreement**"). Pursuant to the Chemicals Credit Agreement, the Chemicals Lender's consent was required for the Vanderbilt Settlement Parties (as defined below) to transfer certain settlement assets to the Debtor in connection with the Global Settlement described in Section 4.6 below.

As part of the Global Settlement described in Section 4.6 below, any claims the Debtor might have had against Holdings arising from the Holdings Promissory Note and other intercompany accounting balances were resolved on the terms described therein.

3.5 The Debtor's Prepetition Corporate and Capital Structure

The Debtor is a privately held, single-member Delaware limited liability company and the only debtor in the Chapter 11 Case. The Debtor has no subsidiaries and is a wholly owned subsidiary of Holdings, which also owns the Vanderbilt Entities, none of which are debtors in the Chapter 11 Case.

The Debtor has never issued publicly traded equity or debt securities. As of the Petition Date, the Debtor had liabilities on account of (i) trade payables and other unsettled non-talc liabilities, (ii) intercompany obligations owed to and from Holdings, and (iii) talc-related claims. The Debtor does not have any secured or unsecured funded debt.

As of the Petition Date, there were various intercompany claims between the Debtor and its non-Debtor affiliates, which were addressed as part of the Global Settlement described in Section 4.6 below.

(a) Trade Payables and Other Non-Talc General Unsecured Claims.

As of the Petition Date, the Debtor's non-talc general unsecured claims consisted primarily of trade payables and other ordinary course liabilities. These claims include approximately $4.0 million in trade Claims, primarily consisting of obligations owed to certain professional firms.

On July 29, 2026, the Debtor filed a *Motion for Entry of Order Approving Stipulation and Agreed Order Granting Relief from the Automatic Stay Authorizing Certain Insurance Payments* [Docket No. 839] (the "**Insurance Stipulation Motion**"). The Insurance Stipulation Motion sought limited relief from the automatic stay to permit (a) PACE Claims Services LLC ("**PACE**"), the third-party administrator under the CIP Agreements, to pay certain service providers the amounts already remitted by certain insurers as well as any additional amounts remitted by the insurers on account of audited and unaudited Defense Costs, and (b) the insurers to remit to PACE the allocated Defense Costs in amounts determined pursuant to the audit process under the CIP Agreements, up to the amounts specified in the Insurance Stipulation Motion. On August 20, 2026, the Bankruptcy Court entered the *Amended Stipulation and Agreed Order Granting Relief from the Automatic Stay Authorizing Certain Insurance Payments* [Docket No. 882] which incorporated certain revisions proposed by the Creditors' Committee.

(b) Talc Claims.

As of the Petition Date, the Debtor had accrued approximately $117.2 million in talc-related indemnity and defense costs. These liabilities include jury verdicts entered against the Debtor in 2023 (a $20 million verdict, apportioned 50% to the Debtor, later settled while post-trial motions were pending), in 2024 (a $15 million verdict, with $7.5 million in punitive damages later awarded by the trial judge), and in August 2025 (a $12.25 million judgment, including $7.75 million in punitive damages). In May 2025, the Debtor and its liability insurance carriers posted certain bonds totaling $15 million in connection with an appeal of one such verdict, which remains pending as of the Petition Date.

3.6 The Debtor's Liquidity

On February 15, 2026, the day before the Petition Date, the Debtor had approximately $1.3 million of liquidity. Absent access to debtor-in-possession financing, the Debtor projected it would face a liquidity deficit of approximately $6.1 million by mid-April 2026.

As of the date of this Disclosure Statement, the Debtor's liquidity reflects the proceeds of the Sale, net of amounts used to repay the Replacement DIP Facility (as defined below) and fund the administration of the Estate.

IV. KEY EVENTS LEADING TO THE COMMENCEMENT OF THE CHAPTER 11 CASE

Mounting talc-related litigation defense costs and jury verdicts, rather than macroeconomic or industry headwinds, drove the Debtor to commence the Chapter 11 Case. Although the Debtor was cash-flow positive absent the growing costs of talc-related litigation, the Debtor's operating revenues could not sustain the mounting litigation costs and expenses, and the Debtor was unable to obtain the capital required to grow and improve its business so long as it remained subject to that litigation.

Prior to the Petition Date, the Debtor's board of managers took steps to evaluate and assess the viability of various strategic options in the face of these challenges, including the appointment of Dean Vomero as Chief Restructuring Officer in May 2025, the appointment of Ben Pickering as Independent Manager and sole member of an Independent Special Committee on September 15, 2025, and the Debtor's engagement of restructuring advisors, including (i) Jones Day, as counsel,[12] (ii) Greenhill, as investment banker, and (iii) Katten Muchin Rosenman LLP ("**Katten**"), as counsel to the Independent Special Committee. Following these efforts, the Debtor determined that the best path forward for maximizing value for its Estate and creditors, including potential talc claimants, was to commence the Chapter 11 Case to pursue a sale of substantially all of its assets and a settlement with Holdings. As discussed in Section 5.6, this strategy culminated in the Debtor's decision to enter into that certain Asset Purchase Agreement between the Debtor and VM Buyer LLC, dated May 10, 2026 (as amended, modified, or supplemented, the "**Asset Purchase Agreement**") and the Global Settlement with Holdings.

4.1 The Debtor's Operational and Financial Challenges

The Debtor's principal operational and financial challenge in recent years has been the significant increase in the number and amount of claims, and the resulting liabilities and defense costs, arising from litigation related to legacy talc claims arising out of the Debtor's discontinued talc mining operations, which ceased in 2008.

RTVC began producing industrial talc in 1948 and, in 1974, additionally acquired certain assets of International Talc Company. RTVC sold talc primarily to the ceramic industry and to paint companies, and stopped selling mined talc altogether in 2008 in response to increased litigation, increased costs of production, and decreased product demand. In 1972, the Occupational Safety and Health Administration ("**OSHA**") adopted a regulation identifying tremolite and anthophyllite as asbestos without distinguishing between their asbestiform and non-asbestiform growth habits; following RTVC's regulatory efforts, OSHA ultimately confirmed in a June 1992 ruling that non-asbestiform tremolite and anthophyllite, the type found in RTVC's industrial talc,

[12] Shortly before the Petition Date, Bond Schoeneck & King, PLLC ("**Bond**") was additionally retained to serve as co-counsel to the Debtor. During the Chapter 11 Case, the Debtor filed an application to retain and employ Jones Day, effective as of the Petition Date [Docket No. 115]. The U.S. Trustee and the Creditors' Committee objected to the retention of Jones Day, together with the proposed retentions of certain of the Debtor's other professionals [Docket No. 223]. The Bankruptcy Court's ruling denying Jones Day's retention application was reflected in a *Memorandum Decision and Order* dated April 27, 2026 [Docket No. 479]. On April 19, 2026, Latham & Watkins LLP was engaged as co-counsel to the Debtor, along with Bond. Jones Day has not sought or received compensation for any services performed after the Petition Date.

are not regulated as asbestos. RTVC's talc mines were also regulated by the federal Mine Safety and Health Administration, which, since 1985, reported finding no detectable asbestos in the air or in talc coming out of the Gouverneur, New York mine.

4.2 Talc-Related Personal Injury Litigation

Starting in the 1980s, RTVC was named as a defendant in asbestos exposure litigation relating to talc production, generally alongside numerous other defendants. The Debtor, as RTVC's successor, has defended itself vigorously from all such claims and generally had been successful in doing so for many years; two cases, in 2006 and 2007, resulted in adverse verdicts, while RTVC received defense verdicts in 2010 and 2012 on cases that went to trial and had another plaintiff's verdict overturned on appeal in 2012.

Despite RTVC never having been prevented by any regulatory body from mining or selling its industrial talc after 1992 (when OSHA promulgated its standard regarding its definition of asbestos), and despite generally favorable litigation outcomes, plaintiffs continued to pursue claims based on RTVC's talc production. The number of pending cases, after fluctuating for years, began to increase considerably starting in 2019 and has grown significantly since then. Beginning in the 2020s, juries began awarding prohibitive verdicts in talc cases, described in further detail below.

As of the Petition Date, the Debtor had accrued approximately $117.2 million in talc-related indemnity and defense costs, with annual defense and indemnity costs having grown from immaterial amounts in the mid-2000s to approximately $7.5 million in 2023. In 2025, two additional adverse verdicts were returned against the Debtor, one of which resulted in a $12.25 million judgment, further straining the Debtor's liquidity.

4.3 Prepetition Restructuring Initiatives and the Independent Special Committee's Investigation

Starting in 2025, the Debtor's pressing liquidity challenges and the significant and increasing liabilities arising from talc claims prompted the Debtor to pursue restructuring initiatives to address its strained liquidity position, and develop a pathway for the equitable resolution of talc claims.

On September 15, 2025, the Debtor's board of managers unanimously adopted resolutions appointing Ben Pickering as Independent Manager and constituting him as sole member of an Independent Special Committee. The Independent Special Committee was delegated with full, sole, and exclusive authority to, among other things, (i) oversee, direct, and participate in negotiations concerning various strategic alternatives, including an in-court or out-of-court restructuring or other transaction to maximize the value of the Debtor and its assets, (ii) conduct and oversee the investigation of transactions or events that could give rise to claims and/or causes of action held by the Debtor, (iii) determine, act on behalf of, and bind the Debtor with respect to any proposed disposition of the investigation, (iv) prosecute, compromise, settle, exculpate, release, or otherwise dispose of any potential claim and/or causes of action in connection with the investigation or a potential transaction, and (v) review and monitor transactions and relationships between the Debtor and Holdings and its other subsidiaries (collectively, the "**Intercompany**

Matters").[13] As of October 23, 2025, the Independent Manager retained Katten as his independent counsel.

The Independent Special Committee, assisted by Katten, conducted a comprehensive and multi-faceted independent investigation (the "**Independent Investigation**") into the acts and transactions involving the Debtor and its assets prior to the Petition Date to determine whether the Debtor holds any valuable and viable claims or causes of action against Holdings or other related parties. Specifically, in connection with the Independent Investigation, the Independent Special Committee submitted multiple document and information requests to Holdings and ultimately reviewed over 10,600 pages of responsive documents and 340 excel spreadsheets, consisting of board materials for both Holdings and Chemicals, details of Holdings' expenses allocated to the Debtor, and financial statements and reporting, both on a consolidated basis and for each of Holdings' subsidiaries. Furthermore, over the course of the Independent Investigation, the Independent Special Committee has conducted eleven interviews of eight members of the Debtor's and Related Parties' management, including members of the Board, executive officers, and other key employees.

Following an extensive analysis of the potential value of any viable claims identified as a result of the Independent Investigation, in consultation with Greenhill and the Debtor's Chief Restructuring Officer, the Independent Manager ultimately applied a 15% discount rate to certain intercompany accounting balances and a 12% market discount rate to the Intercompany Note, resulting in an estimated combined present value of approximately $27.2 million for potential claims relating to those balances, before accounting for litigation risk.

Following the conclusion of the Independent Investigation with respect to certain Intercompany Matters, the Independent Special Committee and its counsel engaged in negotiations with Holdings and its subsidiaries regarding a full and final resolution of any claims held by or against the Debtor on account of the Intercompany Matters, resulting in the Global Settlement described below.

4.4 The Debtor's DIP Financing Negotiations

Once the Debtor determined that filing the Chapter 11 Case would be in the best interests of the Debtor and its stakeholders, the Debtor determined, with the advice of Greenhill, that it would need approximately $15.0 million of incremental capital to fund the sale and chapter 11 processes, and instructed Greenhill to conduct a marketing process for debtor-in-possession financing.

Greenhill launched the marketing process for potential DIP financing in October 2025, ultimately contacting 70 potential DIP lenders, of which 22 executed non-disclosure agreements and were provided with a DIP process letter, confidential information memorandum, and data room access. By November 3, 2025, Greenhill had received three non-binding indications of interest for DIP financing, two of which were submitted together with indications of interest to

[13] For the avoidance of doubt, as of the date hereof, the Independent Investigation remains ongoing with respect to parties not specifically released pursuant to the terms of the Global Settlement.

purchase the Debtor's assets. None of the indications of interest received provided for financing on an unsecured basis.

In the week prior to the Petition Date, Greenhill ran a second, expedited marketing process (the "**DIP Market Check**") by contacting 18 additional potential lenders, only one of which provided indicative terms. None of the terms received in the DIP Market Check were more favorable, taken as a whole, than the terms ultimately provided by Commodore Material Funding, LLC (the "**Stalking Horse Bidder**").

As the negotiations progressed, it became apparent that whoever the Debtor selected as the stalking horse bidder would need to provide DIP financing, since each potential stalking horse bidder's willingness to provide DIP financing was contingent on its selection as the stalking horse bidder. Accordingly, the Debtor negotiated the terms of a senior secured superpriority debtor-in-possession term loan facility (the "**Commodore DIP Facility**") providing up to $15,000,000 in total commitments, including up to $6,500,000 on an interim basis, with the Stalking Horse Bidder. The Commodore DIP Facility was secured by first-priority priming liens on substantially all of the Debtor's assets, which had previously been unencumbered by secured funded debt, carried an interest rate of 7.5% per annum (plus 2% upon an event of default), and required payment of a 0.50% commitment fee and a 1.00% exit fee.

Shortly after the Petition Date, the Bankruptcy Court approved the Commodore DIP Facility on an interim basis, with availability increasing incrementally through a series of interim orders entered thereafter: $3,000,000 pursuant to the interim order entered February 18, 2026 [Docket No. 50]; $6,500,000 pursuant to the second interim order entered February 26, 2026 [Docket No. 100]; and $8,500,000 pursuant to the third interim order entered March 27, 2026 [Docket No. 249], as further extended pursuant to the fourth interim order entered April 28, 2026 [Docket No. 494].

As explained in Section 5.6, below, in connection with the closing of the Sale, before the Commodore DIP Facility could be approved on a final basis, it was repaid by VM Buyer LLC, an affiliate of Riverspan Partners Fund I, LLC, in accordance with its terms and the *Order (I) Authorizing and Approving the Sale of Substantially All of Debtor's Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (II) Approving Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* [Docket No. 576] (the "**Riverspan Sale Order**"). In addition, VM Buyer LLC also provided replacement financing of up to $20,000,000 on terms substantially similar to the Commodore DIP Facility (the "**Replacement DIP Facility**"), which was eventually repaid in full with proceeds from the Sale.

4.5 The Debtor's Sale and Financing Marketing Efforts

In 2025, the Debtor commenced a comprehensive assessment of strategic restructuring alternatives to address mounting talc-related litigation defense costs and jury verdicts and to stabilize operations. In August 2025, the Debtor retained Greenhill as its investment banker to commence a marketing process to solicit interest in (i) providing financing to the Debtor and (ii) a transaction to sell all or the majority of the Debtor's assets. The Debtor decided, with the advice of Greenhill and its other advisors, that pursuing a marketing and sale process for substantially all

of its assets under section 363 of the Bankruptcy Code was the best path forward for the Debtor and its stakeholders.

Accordingly, in November 2025, Greenhill launched the sale process which included 120 potential buyers comprised of 37 strategics and 83 sponsors, of which 30 executed non-disclosure agreements and were provided access to a data room. By the end of December 2025, Greenhill had received four indications of interest for substantially all of the Debtor's assets (together with certain related non-Debtor affiliate assets), one of which was later withdrawn, and three indications of interest for a subset of the Debtor's assets. Following negotiations with multiple bidders, the Debtor's Board approved entry into that certain Stalking Horse Agreement with the Stalking Horse Bidder, dated February 15, 2026 (the "**Stalking Horse Agreement**"), pursuant to which the Stalking Horse Bidder agreed to acquire substantially all of the Debtor's assets.

In the event the Stalking Horse Bidder was not the successful bidder at auction, the Stalking Horse Bidder was entitled to bidding protections in the form of a break-up fee of $2,000,000, plus reimbursement of actual and reasonable out-of-pocket expenses capped at $1,000,000 (together, the "**Termination Payment**"), payable as a DIP-superpriority administrative expense from the sale proceeds ahead of all other claims except certain carve-outs.[14]

As detailed in Sections 5.6 and 5.7 below, while the Bankruptcy Court eventually entered an order approving entry into the Stalking Horse Agreement on March 5, 2026 [Docket No. 139], the Stalking Horse Bidder was not the ultimate purchaser of the Debtor's assets.

4.6 The Global Settlement

Pursuant to the Global Settlement, subject to Court approval, the Debtor and the Vanderbilt Entities (together, the "**Vanderbilt Settlement Parties**"), agreed to the following (such agreement, the "**Settlement Agreement**"):

- the conveyance of certain settlement assets (the "**Settlement Assets**") by the Vanderbilt Settlement Parties to the Debtor, which conveyance was a critical component of the Stalking Horse Bid and the Debtor's ability to obtain debtor-in-possession financing and pursue the sale of substantially all of its assets;

- resolution of any claim the Debtor might have against Holdings arising from the Holdings Promissory Note;

- waivers or subordination of intercompany claims between the Debtor and its non-Debtor affiliates to other unsecured claims;

- the Chemicals Lender's consent, as required under the Chemicals Credit Agreement, to the Vanderbilt Settlement Parties' transfer of the Settlement Assets to the Debtor; and

[14] While the Stalking Horse Agreement was entered into before the Petition Date, on February 15, 2026, the Debtor also sought Bankruptcy Court approval to enter into the Stalking Horse Agreement and to pay the Termination Payment in the Sale Motion (as defined below).

- mutual releases among the Vanderbilt Settlement Parties with respect to the transactions and relationships among the Vanderbilt Settlement Parties, subject to the terms and conditions of the Settlement Agreement.

As further detailed in Section 5.7, the Bankruptcy Court eventually entered an order approving the Global Settlement on April 28, 2026 [Docket No. 493].

V. OVERVIEW OF THE DEBTOR'S CHAPTER 11 CASE

5.1 Commencement of the Chapter 11 Case and First Day Motions

On February 16, 2026 (the "**Petition Date**"), the Debtor commenced the Chapter 11 Case in the Bankruptcy Court. The Debtor is authorized to continue to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

Also on the Petition Date, the Debtor filed several motions seeking various relief from the Bankruptcy Court, including authorization to maintain its operations in the ordinary course (collectively, the "**First Day Motions**"). This relief was designed to ensure a seamless transition between the Debtor's prepetition and post-petition business operations, facilitate an expedited Chapter 11 Case, and minimize disruption to the Debtor's operations to preserve value. A detailed description of the First Day Motions is set forth in the *Declaration of Dean Vomero, the Chief Restructuring Officer of Debtor Vanderbilt Minerals, LLC in Support of First Day Motions of Debtor and Debtor in Possession* [Docket No. 3].

Following a hearing held on February 17, 2026, the Bankruptcy Court granted substantially all of the relief requested in the First Day Motions and entered various orders authorizing the Debtor to, among other things:

- Continue paying employee wages and benefits, including postpetition employee medical expenses, among others;
- Continue paying the Debtor's utility providers;
- Continue the use of the Debtor's cash management system, bank accounts, and business forms, and the Debtor's ordinary course intercompany transactions with non-Debtor affiliates;
- Continue insurance programs and the processing of workers' compensation claims; and
- Pay certain prepetition taxes and assessments.

Also on the Petition Date, in addition to the First Day Motions, the Debtor filed (i) *the Motion of the Debtor at the Sole Direction of Independent Manager and Sole Member of the Independent Special Committee of the Debtor for Entry of an Order (I) Approving the Global Settlement Between the Debtor and R.T. Vanderbilt Holding Co., Inc. and Certain of Its Subsidiaries; and (II) Granting Related Relief* [Docket No. 22] (the "**Settlement Motion**"), seeking court approval of the Global Settlement between the Debtor and Holdings and certain of its subsidiaries to resolve all potential estate causes of action relating to the matters described in Section 4.6 above; (ii) the *Motion of the Debtor and Debtor in Possession for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of Substantially All of the Debtor's Assets, (B) Authorizing the Debtor to Enter into the Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, (E) Scheduling a Sale Hearing and Approving the Form*

and Manner of Notice Thereof and (F) Granting Related Relief; and (II) (A) Approving the Sale of the Debtor's Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases and (C) Granting Related Relief [Docket No. 16] (the "**Sale Motion**"), which, among other things, proposed a timeline for the Debtor's postpetition marketing and sale process, and sought approval for the Stalking Horse Agreement; and (iii) the *Motion of the Debtor and Debtor in Possession Pursuant to Sections 105, 362, 363, 503, 507 and 552 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004 and 9014 and Local Rules 2002-1, 4001-2 and 9013-1 for Interim and Final Orders (I) Authorizing the Debtor to Obtain Postpetition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing and (V) Granting Related Relief* [Docket No. 17] (the "**Commodore DIP Motion**"), which sought interim and final approval of the Commodore DIP Facility. As discussed in more detail in Section 5.7 below, each of the Settlement Motion, the Sale Motion, and DIP Motion have been subject to objections by several parties, including the Office of the United States Trustee for the Northern District of New York (the "**U.S. Trustee**") and the Official Committee of Unsecured Creditors (the "**Creditors' Committee**"). While the foregoing motions were approved by the Bankruptcy Court, the Settlement Motion and the Sale Motion remain subject to appeal, as described in Section 5.7, below.

5.2 Appointment of the Creditors' Committee

On March 3, 2026, the U.S. Trustee appointed the Creditors' Committee in the Chapter 11 Case [Docket No. 111], as subsequently amended [Docket No. 137]. The members of the Creditors' Committee are:

- **Kathleen Dole**, represented by Adam Dreksler, Weitz & Luxenberg, P.C., 700 Broadway, New York, NY 10003, Phone: 212-558-5681, Email: Adreksler@weitz.lux.com

- **Charles Kamprad**, represented by Lauren Williams, SWMW Law, LLC, 701 Market Street, Suite 1000, St. Louis, MO 63101, Phone: 314-480-5180, Email: Lauren@swmwlaw.com

- **Frank Richard Kurzynske**, represented by Ethan Early, Early, Lucarelli, Sweeney & Meisenkothen, LLC, 265 Church Street, 11th Floor, New Haven, CT 06525, Phone: 203-777-7799, Email: eearly@elslaw.com

- **Heather Colding**, Estate of Rebecca Sherman, represented by Chris McKean, MRHFM, 1015 Locust Street, Suite 1200, St. Louis, MO 63101, Phone: 314-241-2003, Email: cmckean@mrhfmlaw.com

- **Donna Franklin**, Special Administrator for the Estate of Phillip Franklin, represented by Christopher Guinn, The Gori Law Firm, 156 N. Main St., Edwardsville, IL 62025, Phone: 618-659-9833, Email: cguinn@gorilaw.com

- **Lisa Miller**, Administrator of the Estate of Joseph E. Okolish, represented by Thomas Bevan & Anjali Mehta, Bevan & Associates L.P.A., Inc., Bevan Professional Building,

6555 Dean Memorial Parkway, Boston Heights, OH 44236, Phone: 330-650-0088, Email: tbevan@bevanlaw.com & amehta@bevanlaw.com

- **Linda Weaver**, Executor of the Estate of Anna Bishop, represented by Joseph Belluck, Belluck Law, LLP, 546 Fifth Avenue, 5th Floor, New York, NY 10036, Phone: 212-681-1575, Email: jbelluck@bellucklaw.com

5.3 Retention of Professionals

(a) The Debtor's Retained Advisors and Other Professionals.

The Bankruptcy Court authorized the retention of:

- **Bond, Schoeneck & King, PLLC** as co-counsel to the Debtor, effective as of the Petition Date [Docket No. 114], by order dated April 14, 2026 [Docket No. 384];

- **Latham & Watkins LLP** as co-counsel to the Debtor, effective as of April 19, 2026 [Docket No. 642], by order dated June 11, 2026 [Docket No. 731];

- **Katten Muchin Rosenman LLP** as counsel to the Debtor at the sole direction of the Independent Manager and sole member of the Independent Special Committee of the Debtor, effective as of the Petition Date [Docket No. 117], by order dated April 14, 2026 [Docket No. 385];

- **Applied Business Strategy, LLC** to provide a Chief Restructuring Officer for the Debtor, and designated Dean Vomero as the Debtor's Chief Restructuring Officer, *nunc pro tunc* to the Petition Date [Docket No. 116], by order dated April 17, 2026 [Docket No. 422];

- **Greenhill & Co., LLC** as investment banker, effective as of the Petition Date [Docket No. 119], by order dated April 14, 2026 [Docket No. 386]; and

- **Kurtzman Carson Consultants, LLC** d/b/a Verita Global, initially as claims and noticing agent, effective as of the Petition Date [Docket No. 6], by order dated February 17, 2026, and subsequently as administrative advisor [Docket No. 120], by order dated April 14, 2026 [Docket No. 387].

The Bankruptcy Court also authorized procedures for the retention, employment, and payment of professionals utilized by the Debtor in the ordinary course of business, nunc pro tunc to the Petition Date [Docket No. 233].

(b) The Creditors' Committee's Retained Advisors and Other Professionals.

During the Chapter 11 Case, the Creditors' Committee filed applications to retain certain professionals, and the Bankruptcy Court authorized the retention of:

- **Caplin & Drysdale, Chartered** as co-counsel for the Creditors' Committee, effective *nunc pro tunc* to March 5, 2026 [Docket No. 278], by order dated May 4, 2026 [Docket No. 523];

- **Brown Rudnick LLP** as co-counsel for the Creditors' Committee, effective *nunc pro tunc* to March 5, 2026 [Docket No. 274], by order dated May 4, 2026 [Docket No. 522];

- **Province, LLC** as financial advisor, claims estimation advisor, and sales process advisor, effective as of March 7, 2026 [Docket No. 449], by order dated May 15, 2026 [Docket No. 603]; and

- **Cohen Ziffer Frenchman & McKenna LLP** as special counsel pursuant to Bankruptcy Code Section 1103 [Docket No. 287], by order dated May 12, 2026 [Docket No. 580].

5.4 Motion to Dismiss

On March 10, 2026, the Creditors' Committee filed the *Motion of the Official Committee of Unsecured Creditors to Dismiss the Chapter 11 Case Pursuant to 11 U.S.C. § 1112(b)* [Docket No. 147] (the "**Motion to Dismiss**"), seeking dismissal of the Chapter 11 Case. Sandra Schreiner and other mesothelioma claimants represented by Maune Raichle Hartley French & Mudd LLC [Docket No. 240], and Norma Mashaw and other mesothelioma claimants represented by Belluck Law, LLP [Docket No. 314], each joined the Motion to Dismiss. The Debtor objected to the Motion to Dismiss [Docket No. 304], and Holdings [Docket No. 320], and the Independent Manager [Docket No. 308] each joined the Debtor's objection. Commodore Materials, LLC and Commodore Materials Funding, LLC also objected to the Motion to Dismiss [Docket No. 307], and the U.S. Trustee filed a statement in response to the Motion to Dismiss [Docket No. 399]. On April 13, 2026, the Creditors' Committee filed a reply in further support of the Motion to Dismiss [Docket No. 360]. The hearing on the Motion to Dismiss has been adjourned to October 20, 2026.

5.5 The Creditors' Committee's Investigation of Potential Estate Claims

On April 2, 2026, the Creditors' Committee filed the *Motion of the Official Committee of Unsecured Creditors to Compel the Production of Discoverable Information and Documents* [Docket No. 263], seeking discovery from the Debtor and the Independent Special Committee regarding the Intercompany Matters and the Independent Investigation described in Section 4.3 above. The Independent Special Committee opposed the motion to compel [Docket No. 293]. On April 13, 2026, the Bankruptcy Court entered an order granting the Creditors' Committee alternative relief on its motion to compel [Docket No. 357] precluding the reliance on certain materials at the hearing to consider the Global Settlement. In connection with its review of the Global Settlement and the Debtor's potential estate claims, the Creditors' Committee also filed the declaration of its financial advisor, Michael Atkinson [Docket No. 319].

5.6 The Auction, Sale Process, and Replacement DIP Facility

On March 26, 2026, the Bankruptcy Court entered the *Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtor's Assets, (II) Authorizing the Debtor to Enter into the Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (III) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving Assumption and Assignment Procedures, (V) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof and (VI) Granting Related Relief* [Docket No. 244] (the "**Bidding Procedures Order**") which scheduled an auction for the sale of substantially all the Debtor's assets (the "**Auction**") and approved bidding procedures to be used in connection therewith.

On May 4, 2026, the Debtor conducted the Auction at the New York offices of Latham & Watkins LLP in accordance with the Bidding Procedures Order. At the conclusion of the Auction, the Debtor, in consultation with certain parties required by the Bidding Procedures Order, determined that the highest and otherwise best bid for the Debtor's assets was submitted by VM Buyer LLC, with the Stalking Horse Bidder designated as the backup bidder. The ultimate purchase price was $64 million.

Following the Auction, and after the Stalking Horse Bidder asserted that the Debtor was in default of certain milestones under the Commodore DIP Facility, the Debtor filed *the Motion of the Debtor and Debtor in Possession Pursuant to Sections 105, 362, 363, 503, 507 and 552 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004 and 9014 and Local Rules 2002-1, 4001-2 and 9013-1 for Interim and Final Orders (I) Authorizing the Debtor to Refinance Its Postpetition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 554] (the "**Replacement DIP Motion**"), seeking authority to refinance and repay the Commodore DIP Facility in full with replacement postpetition financing of up to $20,000,000, provided by VM Buyer LLC, an affiliate of Riverspan Partners LP and the successful bidder for the Debtor's assets. The Replacement DIP Facility was provided on terms substantially similar to the Commodore DIP Facility, but afforded the Debtor additional liquidity, a waiver of certain existing defaults and milestones under the Commodore DIP Facility, and an extended maturity date. The Bankruptcy Court approved the Replacement DIP Facility on an interim basis by order entered May 8, 2026 [Docket No. 577] and on a final basis by order entered May 22, 2026 [Docket No. 670].

5.7 Objections to Settlement Motion, Sale Motion, and Commodore DIP Motion

The Settlement Motion, Sale Motion, and DIP Motion were each subject to objections by the U.S. Trustee, the Creditors' Committee, and other parties in interest, as summarized below.

(a) The Settlement Motion

In connection with the Global Settlement described in Section 4.6 above, Vanderbilt Settlement Parties,[15] negotiated and executed the Settlement Agreement, dated as of February 15, 2026. On the Petition Date, the Debtor filed the Settlement Motion seeking approval of the Global

[15] For the purposes of these negotiations, the Debtor was represented by Katten.

Settlement. The Creditors' Committee objected to the Settlement Motion [Docket No. 309], as did the U.S. Trustee [Docket No. 306], and the Creditors' Committee separately moved to compel the production of discoverable information relating to the Intercompany Matters [Docket No. 263], which the Bankruptcy Court granted in part [Docket No. 357]. Following a contested hearing and the Bankruptcy Court's Memorandum Decision on the Settlement Motion [Docket No. 491], the Bankruptcy Court entered an order approving the Global Settlement on April 28, 2026 [Docket No. 493] (the "**Global Settlement Order**"). The material terms of the Global Settlement, including the Settlement Assets and the resolution of the Debtor's claims against Holdings under the Holdings Promissory Note, are described in Section 4.6 above.

On April 29, 2026, the Creditors' Committee filed a notice of appeal from the Global Settlement Order [Docket No. 502], which appeal was docketed in the United States District Court for the Northern District of New York (the "**District Court**"), as Case No. 8:26-cv-00986-BKS (the "**Creditors' Committee Settlement Order Appeal**"). Certain individual talc claimants who are also members of the Creditors' Committee separately filed notices of appeal from the Global Settlement Order in the District Court, which were docketed as, Case Nos. 8:26-cv-01006-BKS and 8:26-cv-01016-BKS (the "**Talc Claimants Settlement Order Appeals**").

The Creditors' Committee first moved in the Bankruptcy Court for a stay of the Global Settlement Order pending appeal [Docket No. 510], which the Bankruptcy Court denied. The Committee then sought emergency relief from the District Court for the Northern District of New York which likewise denied the Creditors' Committee's motion for a stay pending appeal on May 21, 2026, for the reasons stated on the record at a hearing held that day.

On August 28, 2026, the District Court entered the *Stipulation to Consolidate Settlement Appeals* (the "**Consolidation Stipulation**") which consolidated the Creditors' Committee Settlement Order Appeal and the Talc Claimants Settlement Order Appeals (together, the "**Consolidated Settlement Order Appeal**"). The Consolidated Settlement Order Appeal remains pending. Per the Consolidation Stipulation, the appellees are permitted to file a single brief in response to the three appellant briefs, and unless otherwise extended, such appellee brief is due no later than October 12, 2026. Any appellant reply briefs will be due twenty (20) days from the date all appellee briefs are filed. The Plan Proponents may seek to extend the deadline that the appellee briefs are due until after the Effective Date.

(b) The DIP Motion

As stated above, on the Petition Date, the Debtor filed the Commodore DIP Motion seeking approval of the Commodore DIP Facility. Certain law firms representing talc claimants filed a limited objection to the Commodore DIP Motion [Docket No. 80], raising concerns regarding, among other things, the proposed milestones, the scope of the liens and superpriority claims granted to the DIP Lender, and constraints on the professional fee budget available to a not-yet-formed creditors' committee.

Following the appointment of the Creditors' Committee, the Creditors' Committee objected to entry of a final order approving the Commodore DIP Facility [Docket No. 191], asserting that certain provisions of the Commodore DIP Motion improperly linked approval of the

Commodore DIP Motion to approval of the Settlement Motion and the Sale Motion, and imposed onerous constraints on the Creditors' Committee's investigation and professionals.

The Creditors' Committee also filed a limited objection to entry of a final order approving the Replacement DIP Facility [Docket No. 645], preserving its rights with respect to certain provisions of the Replacement DIP Facility and its pending appeal of the Global Settlement Order. The Bankruptcy Court entered a final order approving the Replacement DIP Facility on May 22, 2026 [Docket No. 670] (the "**Final DIP Order**"), with all objections and reservations of rights to entry of the Final DIP Order having been withdrawn, resolved, or overruled.

On June 3, 2026, the Creditors' Committee filed a notice of appeal from the Final DIP Order [Docket No. 711], which was docketed in the District Court as Case No. 8:26-cv-01169-BKS (the "**DIP Order Appeal**"). The Committee did not seek a stay of the Final DIP Order pending appeal, and accordingly VM Buyer LLC was entitled to rely on, and to continue funding under, the Final DIP Order notwithstanding the pendency of the DIP Order Appeal, consistent with the protections afforded to good-faith postpetition lenders under section 364(e) of the Bankruptcy Code.

Following the closing of the Sale and the repayment in full of all obligations under the Replacement DIP Facility, without any default having occurred, the Creditors' Committee, the Debtor, and the other parties to the DIP Order Appeal stipulated to the voluntary dismissal of the DIP Order Appeal with prejudice, which stipulation was filed in the District Court on July 23, 2026 and subsequently entered by the District Court on August 7, 2026 [Docket No. 875]. Accordingly, the DIP Order Appeal has been fully and finally resolved, and the Final DIP Order is no longer subject to appellate review.

(c) The Sale Motion

The Sale Motion was filed on the Petition Date and subject to numerous objections. Certain law firms representing talc claimants objected to the Sale Motion on the grounds that the proposed timeline was unnecessarily accelerated and would preclude meaningful investigation by a not-yet-formed creditors' committee [Docket No. 113]. The U.S. Trustee separately objected, asserting that the proposed bidding procedures favored the Stalking Horse Bidder, which was also the proposed lender for the Commodore DIP Facility at the time, to the detriment of other potential bidders and creditors [Docket No. 121]. The Creditors' Committee filed an initial objection to the Sale Motion on March 11, 2026 [Docket No. 162]. Following hearings held on March 4 and March 18, 2026, the Bankruptcy Court entered an order approving the bidding procedures on March 26, 2026 [Docket No. 244] (the "**Bidding Procedures Order**").

On April 27, 2026, the Creditors' Committee filed a further objection to approval of the Sale itself, asserting that the sale of non-Debtor assets obtained through the Global Settlement, together with the proposed releases, could not satisfy the requirements of section 363(b) of the Bankruptcy Code [Docket No. 488]. The Pension Benefit Guaranty Corporation also filed a limited objection and reservation of rights regarding the form of the proposed sale order as it related to potential pension plan liabilities of the Debtor and its non-Debtor parent, Holdings [Docket No. 517]. In addition, the United States, on behalf of the Environmental Protection Agency and the Department of the Interior, filed a limited objection and reservation of rights

regarding provisions of the proposed sale order that could be construed to limit the successful bidder's obligations to comply with police and regulatory laws and to obtain governmental consent to the assumption and assignment of certain federal interests [Docket No. 524].

On May 7, 2026, the Debtor filed the *Notice of Successful and Backup Bidders with Respect to the Auction of the Debtor's Assets* [Docket No. 552], reflecting VM Buyer LLC's selection as the Successful Bidder pursuant to the Asset Purchase Agreement. Following a hearing held on May 7, 2026, the Bankruptcy Court entered the *Order (I) Authorizing and Approving the Sale of Substantially All of Debtor's Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (II) Approving Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* [Docket No. 576] (the "**Sale Order**") on May 8, 2026, approving the sale to VM Buyer LLC. The Asset Purchase Agreement was subsequently amended on June 10, 2026, and the sale to VM Buyer LLC closed on that same date [Docket No. 732].

On May 21, 2026, the Creditors' Committee filed a notice of appeal from the Sale Order [Docket No. 643], which was docketed in the District Court as Case No. 8:26-cv-01091-BKS (the "**Sale Order Appeal**").

The Creditors' Committee moved in the Bankruptcy Court for a stay of the Sale Order pending appeal [Docket No. 646], which the Bankruptcy Court denied on June 1, 2026 [Docket No. 700]. The Creditors' Committee then sought emergency relief from the District Court, but the Sale closed before the motion was decided, on June 10, 2026, and on June 16, 2026, the District Court denied the stay motion as moot in light of the closing.

The Debtor and other appellees have taken the position that, because the Sale closed without a stay and VM Buyer LLC is a good-faith purchaser, the Sale Order Appeal is statutorily moot under section 363(m) of the Bankruptcy Code, such that the only issue that may be considered on appeal is whether VM Buyer LLC purchased the Debtor's assets in good faith. The Creditors' Committee disputes this position and continues to prosecute the Sale Order Appeal, including on the grounds that the Sale Order should not be considered moot under section 363(m) to the extent it affects claims and causes of action that are also the subject of the pending Consolidated Settlement Order Appeal.

As of the date of this Disclosure Statement, the Sale Order Appeal remains pending. The record on appeal was transmitted to the District Court on July 22, 2026, and the District Court entered a briefing schedule on the same day. On August 25, 2026 the District Court entered the *Stipulation to Stay Briefing Schedule Pending a Decision on Settlement Appeal*, which stayed the briefing deadlines related to the Sale Order Appeal until a resolution of the Consolidated Settlement Order Appeal.

5.8 Filings of Schedules of Assets and Liabilities and Statements of Financial Affairs and the Section 341 Meeting of Creditors

On March 12, 2026, the Debtor filed its schedules of assets and liabilities, schedules of executory contracts and unexpired leases, and statements [Docket No. 171] and statement of

financial affairs [Docket No. 172] (together, the "**Schedules**"), following an extension of the initial filing deadline granted by the Bankruptcy Court [Docket No. 47].

On March 19, 2026, the U.S. Trustee convened a meeting of creditors for the Debtor pursuant to section 341(a) of the Bankruptcy Code [Docket No. 79]. The meeting was officially closed on June 11, 2026, by the U.S. Trustee.

The Debtor has also filed, and continues to file, monthly operating reports in the Chapter 11 Case.

5.9 The Debtor's Post-petition Marketing Process for Substantially All of the Debtor's Assets

Following entry of the Bidding Procedures Order, the Debtor, together with Greenhill, conducted a post-petition marketing process with respect to both the Debtor's assets and potential estate claims and causes of action.

After the Petition Date and the signing of the Stalking Horse Agreement, the Debtor continued its efforts to market substantially all of the Debtor's assets for sale in a manner aligned with the milestones provided for under the Commodore DIP Facility. During the post-petition marketing process, Greenhill continued to reach out to potential bidders and facilitated diligence. In total, over the course of the combined pre- and post-petition marketing process, more than 150 potential bidders were contacted (including the 120 contacted pre-petition and 30 parties suggested by the Creditors' Committee), out of which 8 to 10 engaged in meaningful discussions for the Debtor's assets.

5.10 Claims Bar Dates and Noticing Procedures

On June 29, 2026, the Bankruptcy Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim Other Than with Respect to Direct Talc Claims, (II) Approving the Form of and Manner for Filing Proofs of Claim, and (III) Approving Notice of Bar Dates* [Docket No. 773] (the "**Bar Date Order**") establishing certain deadlines (collectively, the "**Bar Dates**") and procedures for the filing of proofs of Claim in the Chapter 11 Case. Specifically, the Bar Date Order established, among other things, the following deadlines for filing proofs of claim:

- **General Bar Date**: July 31, 2026 at 5:00 p.m. (prevailing Eastern Time), as the deadline for all creditors other than holders of Direct Talc Claims and Governmental Units to file proofs of claim against the Debtor (the "**General Bar Date**"). No bar date has been set for Direct Talc Claims.

- **Governmental Bar Date**: August 17, 2026 at 5:00 p.m. (prevailing Eastern Time), as the deadline for all Governmental Units (as defined in section 101(27) of the Bankruptcy Code) to file proofs of claim with respect to a prepetition claim against the Debtor (the "**Governmental Bar Date**").

- **Rejection Damages Bar Date:** Solely with regard to (i) claims arising from the Debtor's rejection of executory contracts and unexpired leases, pursuant to section 365 of the Bankruptcy Code and (ii) claims otherwise related to such agreements (collectively, the

"**Rejection Damages Claims**"), the later of (a) the General Bar Date or Governmental Bar Date, as applicable, and (b) 5:00 p.m. (prevailing Eastern Time) on the date that is 30 days after entry of the order approving the Debtor's rejection of the applicable executory contract or unexpired lease (unless otherwise ordered by the Court) (the "**Rejection Damages Bar Date**").

- **Amended Schedules Bar Date:** The later of (a) the General Bar Date or Governmental Bar Date, as applicable, or (b) 5:00 p.m. (prevailing Eastern Time) on the date that is 30 days after the date on which the Debtor mails notice of an amendment to the Debtor's schedules of liabilities (unless otherwise ordered by the Court) (the "**Amended Schedules Bar Date**").

As of the filing of this Disclosure Statement, approximately 129 proofs of claim were filed in the Chapter 11 Case asserting approximately $25.0 million in total aggregate amount of claims against the Debtor. The Debtor's ongoing review of claims is detailed in Section 5.12 of this Disclosure Statement.

5.11 Other Key Events During the Chapter 11 Case

(a) The Debtor's Exclusivity Motion.

On May 15, 2026, the Debtor filed a *Motion to Extend Exclusive Periods Pursuant to 11 U.S.C. § 1121(d) and for Entry of a Bridge Order* [Docket No. 605] (the "**Exclusivity Motion**") requesting an extension of (i) the Debtor's exclusive period by which to file a chapter 11 plan (the "**Filing Exclusivity Deadline**") to October 14, 2026 and (ii) the Debtor's exclusive period to solicit a chapter 11 plan (the "**Solicitation Exclusivity Deadline**") to December 13, 2026. On May 21, 2026, the Bankruptcy Court entered a *Bridge Order Extending Exclusive Periods Pursuant to 11 U.S.C. § 1121(d)* [Docket No. 662] pursuant to which the Filing Exclusivity Deadline was extended through and including June 17, 2026. On June 22, 2026, the Bankruptcy Court entered an *Order Extending Exclusive Periods Pursuant to 11 U.S.C. § 1121(d)* [Docket No. 749] granting the Debtor's request to (i) extend the Filing Exclusivity Deadline through, and including August 26, 2026, and (ii) extend the Solicitation Exclusivity Deadline through and including October 24, 2026, each pending a final hearing on the remaining relief sought in the Exclusivity Motion. The Creditors' Committee filed a reservation of rights with respect to the Exclusivity Motion [Docket No. 734]. On August 19, 2026, the Bankruptcy Court entered the *Second Bridge Order Extending Exclusive Periods Pursuant to 11 U.S.C. § 1121* [Docket No. 879] extending the Filing Exclusivity Deadline through and including September 15, 2026. On September 8, 2026, the Bankruptcy Court entered the *Third Bridge Order Extending Exclusive Periods Pursuant to 11 U.S.C. § 1121(d)* [Docket No. 919] extending the Filing Exclusivity Deadline to October 21, 2026.

As of the date of this Disclosure Statement, the Bankruptcy Court has not yet entered a final order on the Exclusivity Motion, and the final hearing is scheduled for October 20, 2026 at 3:00 p.m. (prevailing Eastern Time).

(b) The Debtor's Motion to Extend the Deadline to Assume or Reject Nonresidential Real Property Leases.

On May 15, 2026, the Debtor filed the *Motion for Extension of Time to Assume or Reject Leases of Non-Residential Real Property and for Entry of a Bridge Order* [Docket No. 607]. On May 21, 2026, the Bankruptcy Court entered the *Bridge Order Extending Time to Assume or Reject Leases of Non-Residential Real Property* [Docket No. 663] and on June 22, 2026, the Bankruptcy Court entered the *Order Extending Time to Assume or Reject Leases of Non-Residential Real Property* [Docket No. 747] extending such deadline through and including August 27, 2026. Thereafter, on July 29, 2026, the Debtor filed the *Second Motion for Extension of Time to Assume or Reject Lease of Non-Residential Real Property* [Docket No. 841] seeking a further extension through and including November 25, 2026. On August 20, 2026, the Bankruptcy Court entered the *Second Order Extending Time to Assume or Reject Lease of Non-Residential Real Property* [Docket No. 883] extending such deadline through and including November 25, 2026.

(c) The Debtor's Removal Extension Motions.

On April 27, 2026, the Debtor filed its *Motion for Entry of an Order Extending the Period Within Which the Debtor May Remove Actions Pursuant to 28 U.S.C. § 1452 and Rule 9027 of the Federal Rules of Bankruptcy Procedure* [Docket No. 482] (the "**Removal Extension Motion**"). Pursuant to the Removal Extension Motion, the Debtor sought relief extending the deadline by which the Debtor may file notices of removal of civil actions under Bankruptcy Rule 9027(a) by 120 days from the original deadline, through and including a revised deadline. On May 12, 2026, the Court entered the *Bridge Order Extending the Period Within Which the Debtor May Remove Actions Pursuant to 28 U.S.C. § 1452 and Rule 9027 of the Federal Rules of Bankruptcy Procedure* [Docket No. 584] extending such deadline until May 21, 2026. On May 21, 2026, the Bankruptcy Court granted the Debtor's Removal Deadline Extension Motion [Docket No. 661] extending such deadline through and including August 16, 2026.

On July 8, 2026, the Debtor filed its *Second Motion for Entry of an Order Further Extending the Period Within Which the Debtor May Remove Actions Pursuant to 28 U.S.C. § 1452 and Rule 9027 of the Federal Rules of Bankruptcy Procedure* [Docket No. 793] (the "**Second Removal Extension Motion**"). Pursuant to the Second Removal Extension Motion, the Debtor sought further relief to extend the deadline by which the Debtor may file notices of removal of civil actions under Bankruptcy Rule 9027(a) by another 120 days to February 19, 2027. On August 5, 2026, the Bankruptcy Court granted the Debtor's Second Removal Extension Motion [Docket No. 855] extending such deadline through and including December 14, 2026.

(d) The Debtor's Rejection of Certain Executory Contracts and Unexpired Leases.

On June 11, 2026, the Debtor filed a *Motion for Entry of an Order Authorizing the Debtor to Reject Certain Executory Contracts and Unexpired Leases Effective as of the Rejection Date* [Docket No. 735]. Barkley Solar, LLC filed a limited objection and election of rights under section 365(h) of the Bankruptcy Code with respect to the motion [Docket No. 806]. On July 16, 2026, the Bankruptcy Court entered an order authorizing the rejection of certain executory contracts and

unexpired leases [Docket No. 802] and continuing the hearing with respect to Barkley Solar, LLC lease to August 19, 2026. On August 17, 2026, the Debtor filed the *Letter to the Court by Charles J. Sullivan re: Resolution of Barkley Solar, LLC Lease* [Docket No. 870] notifying the Bankruptcy Court that the Debtor had reached a resolution with Barkley Solar, LLC. Accordingly, on August 20, 2026, the Court entered the *Order Authorizing the Debtor to Reject the Rejected Lease Effective as of the Rejection Date and Tenant's Election Under Section 365(h)* [Docket No. 881] memorializing such resolution.

(e) The Talc Removal and Disposal Motion

On May 27, 2026, the Debtor filed *the Debtor's Motion for Entry of an Order Pursuant to Sections 105(a), 363(b) and 363(c) of the Bankruptcy Code (I) Authorizing the Debtor to Dispose of Certain Valueless Assets Without Further Court Approval and (II) Granting Related Relief* [Docket No. 683] (the "**Talc Motion**"), which was approved by order on June 22, 2026 [Docket No. 748]. The Talc Motion authorized the Debtor to dispose of certain valueless assets, including residual talc inventory located in certain of the Debtor's pre-Sale sites, and authorized the transport and storage of certain talc samples and core samples in anticipation of future litigation.

(f) Disposition and Abandonment of California Rights; Temporary Retention of Nevada Mining Rights

After the Sale, certain mining claims related to the Debtor's legacy mining operations in California and Nevada remain property of the estate. On September 9, 2026, the Debtor filed the *Motion of Debtor for Entry of an Order Authorizing the Transfer and Abandonment of Certain Mining Claims and Related Properties* [Docket No. 934] (the "**Mining Claims Motion**"). Pursuant to the Mining Claims Motion, the Debtor is seeking authority to transfer or abandon certain of the mining rights located in California, and temporarily retain certain other mining claims located in Nevada until certain restoration obligations are completed. As of the date hereof, the motion has not yet been heard by the Bankruptcy Court, but a hearing to consider the relief sought in the Mining Claims Motion is scheduled for September 30, 2026.

5.12 The Debtor's Claims Reconciliation Process

The Debtor's review of asserted Proofs of Claim is ongoing.

Pursuant to the Plan and the Bar Date Order, the Rejection Damages Bar Date applies to asserted Rejection Damages Claims. Until the Court enters applicable orders approving all the Debtor's proposed rejections, including the Confirmation Order, and all contract counterparties file Proofs of Claim by the Rejection Damages Bar Date, the known universe of claims will remain subject to change.

5.13 The Liquidation Trust's Unliquidated Assets and Potential Causes of Action

In addition to maximizing the value of the assets of the Debtor's estate through the Sale, the Debtor has identified certain other assets that the Liquidation Trust and the Liquidating Debtor might have, including insurance coverage and potential causes of action:

(a) Debtor's Insurance Coverage for Talc Claims.

The Debtor has rights to coverage under numerous Insurance Policies (identified in **Exhibit C** hereto and subject to the CIP Agreements and other insurance-related agreements) covering, among other things, certain talc-related personal injury liabilities and related defense and litigation costs. Based on currently available policy evidence, the Debtor is informed and believes that the total amount of remaining insurance limits potentially available for talc claims exceeds $400 million, accounting for known, solvent, and unexhausted limits prior to introduction of asbestos exclusions. Notwithstanding the potential limits of the implicated policies, the realizable value of such coverage is subject to a number of factors and uncertainties, including the solvency of the insurance carriers.

(b) Other Claims.

In addition to the foregoing, the Liquidation Trust may also have claims against various other third parties under applicable state law based on prepetition conduct. The Liquidation Trust and/or the Liquidating Debtor's diligence and investigation regarding such claims is ongoing. Pursuant to the Global Settlement, claims against the Vanderbilt Settlement Parties were resolved and settled.

(c) Other Avoidance Actions and Potential Clawbacks.

The Debtor may further investigate and evaluate potential avoidance claims, including but not limited to under chapter 5 of the Bankruptcy Code and applicable state law. Under applicable law, the Liquidating Debtor and/or the Liquidation Trust, as applicable, may seek to avoid and recover transfers (or obligations) made by the Debtor within specified timeframes prior to the Petition Date.

As part of this process, the Liquidating Debtor has evaluated transfers made in the ninety (90) days preceding the Petition Date to determine the potential recovery should such transfers be avoided and restored to the Estate. The Debtor may have avoidance claims that it could pursue, other than the preference claims acquired by VM Buyer LLC pursuant to the Asset Purchase Agreement.

5.14 The Filing of the Plan

Following entry of the Global Settlement Order and the Sale Order, the Debtor engaged in discussions and negotiations with the Creditors' Committee on the terms of a chapter 11 plan to administer the remaining estate funds following consummation of the Sale and the Global Settlement.

On August 6, 2026, the Debtor filed the *Chapter 11 Plan of Liquidation of Vanderbilt Minerals, LLC* [Docket No. 857] (the "**Initial Plan**"). On the date hereof, the Plan Proponents filed the *Chapter 11 Plan of Liquidation of Vanderbilt Minerals, LLC* [Docket No. 962] (as may be further amended, the "**Plan**") Since the filing of the Initial Plan, the Debtor and the Creditors' Committee have reached an agreement in principle. The Creditors' Committee therefore supports the filing of the Plan, as amended.

The Debtor will continue to engage with other parties in interest on the Plan during the period prior to the Confirmation Hearing.

The material terms of the Plan are summarized below.

5.15 Disclosure Statement Objections

On August 6, 2026, the Debtor filed the *Disclosure Statement for Chapter 11 Plan of Liquidation of Vanderbilt Minerals, LLC* [Docket No. 858] (the "**Initial Disclosure Statement**"). On the date hereof, the Plan Proponents filed this *Amended Disclosure Statement for Chapter 11 Plan of Liquidation of Vanderbilt Minerals, LLC* (as may be further amended, this "**Disclosure Statement**"). Following the filing of the Initial Disclosure Statement, certain parties-in-interest either filed Formal Objections[16] or informally requested certain language additions to this Disclosure Statement to avoid formal objections.

As of the date hereof, the Debtor has not resolved all Formal Objections; however, certain objecting parties have proposed revisions to this Disclosure Statement in an effort to resolve their Formal Objections. The Debtor reserves the right to revise this Disclosure Statement to the extent an agreement can be reached with the objecting parties.

As of the date hereof, the Debtor has resolved informal objections from (i) Fidelity and Deposit Company of Maryland and Zurich North America ("**Fidelity**") by agreeing to language to be included in the Confirmation Order, substantially in the form below, and (ii) the Pension Benefit Guaranty Corporation ("**PBGC**") by agreeing to inclusion of the language, substantially in the form below, in this Disclosure Statement.

Fidelity (for inclusion in the Confirmation Order)

For purposes of the Confirmation Order], the term "**Surety**" shall mean Fidelity and Deposit Company of Maryland and/or any of its affiliates or subsidiaries, including but not limited to Zurich North America and Zurich American Insurance Company. Certain Debtors and non-Debtor affiliates, as applicable, have entered, or are otherwise potentially liable to the Surety under certain indemnity agreements (collectively, the "**Indemnity Agreements**"). The Surety has executed certain surety bonds (collectively, the "**Surety Bonds**") on behalf of certain Debtors and

[16] The "**Formal Objections**" consist of (i) *Objecting Insurers' Objections to Debtors' Motion for Entry of an Order (I) Approving Proposed Disclosure Statement and the Form and Manner of Notice of Hearing Thereof, (II) Establishing Solicitation and Voting Procedures with Respect to Debtor's Proposed Chapter 11 Plan, (III) Scheduling Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Debtor's Proposed Chapter 11 Plan, and (V) Granting Related Relief* [Docket No. 913] filed on September 4, 2026; (ii) the *Specified Insurers' Opposition to the Motion of Debtor for Entry of an Order (I) Approving Proposed Disclosure Statement and the Form and Manner of Notice of Hearing Thereof, (II) Establishing Solicitation and Voting Procedures with Respect to Debtor's Proposed Chapter 11 Plan (III) Scheduling Confirmation Hearing, (IV) Establishing Notice and Objection Procedures for Confirmation of Debtor's Proposed Chapter 11 Plan, and (V) Granting Related Relief (Filed by AIU Insurance Company, Granite State Insurance Company, National Union Fire Insurance Company of Pittsburgh, PA (Collectively, AIG Insurers), Cavello Bay Reinsurance Limited* [Docket No. 916] filed on September 4, 2026, (iii) the *Specified Insurers' Joinder* [Docket No. 918] filed on September 4, 2026; (iv) *Swiss Reinsurance America Corporation's Joinder* [Docket No. 951] filed on September 14, 2026; and (v) the *Old Republic Insurance Company's Joinder* [Docket No. 957] filed on September 15, 2026.

non-Debtor affiliates.

Nothing in the Plan, the Confirmation Order, any Plan Supplement, or any document or agreement contemplated by or in connection therewith (collectively, the "**Plan Documents**"): shall: (i) limit or impair the Surety's rights and defenses under the Surety Bonds, the Indemnity Agreements, and/or common law, statute, or otherwise; (ii) release, discharge, preclude, or enjoin any obligations of the Debtors and non-Debtors to the Surety, whether related to, arising out of, or granted or created under any Surety Bond, Indemnity Agreement, common law, and/or statute; and/or (iii) be deemed to provide the Surety's consent, whether express or implied, to the involuntary substitution of any principal under any Surety Bond; *provided, however*, that nothing in the foregoing shall be deemed to expand any obligations of the Debtors and non-Debtors to the Surety.

For the avoidance of doubt: (i) the Injunction set forth in Section 10.8 of the Plan shall not apply to the Surety with respect to any rights, claims, or causes of action of the Surety against non-Debtors; (ii) the Surety's rights of subrogation, restitution or other common law rights shall not be cancelled, impaired or modified by the Plan Documents; (iii) with respect to any liability or claim that may be alleged or brought against the Surety, all rights, claims, and defenses of the Surety that may arise from or relate to any release or transaction contemplated by the Plan Documents are expressly preserved; (iv) the Existing Surety Agreements shall not be cancelled as set forth in Section 10.6 of the Plan; (v) no waiver of a Surety's rights, claims, or defenses shall be implied from any failure to object to the Plan Documents; and (vi) notwithstanding anything in the Plan Documents to the contrary, all rights related to the Surety in any sale order approved by the Court related to the sale of the Debtors' assets are preserved and unaffected by the Plan Documents.

Notwithstanding anything to the contrary in the Plan Documents, the Debtors reserve all rights and defenses with respect to all rights, claims, interests, obligations, documents, and agreements related to the Surety Bonds and Indemnity Agreements.

PBGC

The Debtor and Holdings sponsor the *R.T. Vanderbilt Holding Company Pension Plan* (the "**Pension Plan**"), a single-employer defined benefit pension plan covered by Title IV of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"). PBGC is the federal government agency that administers the pension-insurance program under Title IV of ERISA. PBGC guarantees the payment of certain pension benefits upon the termination of a single-employer pension plan covered by Title IV of ERISA. When an underfunded plan terminates, PBGC generally becomes trustee of the plan and, subject to certain statutory limitations, pays the plan's unfunded benefits with its insurance funds. *See* 29 U.S.C. §§ 1321-1322, 1342, 1361.

Title IV of ERISA provides the exclusive means to terminate a defined benefit pension plan – a standard termination, a distress termination, or a PBGC-initiated termination. 29 U.S.C. § 1341(a)(1). A standard termination requires, among other things, that the pension plan has sufficient assets to satisfy all benefits promised under the plan. 29 U.S.C. § 1341(b)(2)(A)(i). A distress termination requires, among other things, that certain financial distress criteria be met. 29 U.S.C. § 1341(c)(2)(B)(i)-(iii). PBGC may initiate proceedings to terminate a pension plan if certain statutory criteria have been met. 29 U.S.C. § 1342.

PBGC asserts that the Debtor and Holdings are members of the same controlled group and are therefore jointly and severally liable with respect to the Pension Plan. 29 U.S.C. § 1301(a)(14). Such joint and several liability includes the Pension Plan's unfunded benefit liabilities ("**UBL**"), minimum required funding contributions owed to the Pension Plan ("**MRC**"), and premiums owed to PBGC (collectively, "**Pension Plan Liabilities**"). 26 U.S.C. §§ 412(b)(1)-(2), 430; 29 U.S.C. §§ 1082(b)(1)-(2), 1307(e), 1362. Premiums owed to PBGC include flat-rate premiums, variable-rate premiums, and termination premiums. 29 U.S.C. §§ 1306, 1307.

PBGC has filed proofs of Claims against the Debtor for the Pension Plan's UBL, MRC, and premiums. PBGC's claims for UBL and termination premiums are contingent upon either a distress or PBGC-initiated termination of the Pension Plan. The Debtors are reviewing the PBGC's filed proofs of claim and the assertions noted above.

It has been represented by Holdings that Holdings will begin shortly the process to terminate the Pension Plan in a standard termination. A completed standard termination of the Pension Plan would moot PBGC's claims for UBL, MRC, and termination premiums. Because the standard termination of the Pension Plan has not begun, PBGC is investigating whether to initiate proceedings to terminate the Pension Plan. For the same reasons, the Debtors rights are reserved.

The PBGC asserts that because ERISA provides the exclusive means to terminate the Pension Plan, the Pension Plan is not and cannot be treated as an executory contract.

PBGC requests that the following language be included in the Plan and Confirmation Order, which the Debtors have agreed to incorporate into such documents and is included here for disclosure purposes:

No provision of the Plan, Confirmation Order, the Bankruptcy Code (and section 1141 thereof), or any other document filed in the Debtor's Chapter 11 cases shall in any way be construed to discharge, release, limit, or relieve the Reorganized Debtor or any other party, in any capacity, from any liability or responsibility under any law, governmental policy, or regulatory provision with respect to the Pension Plan or from claims of the PBGC with respect to the Pension Plan. PBGC and the Pension Plan will not be enjoined or precluded from enforcing such liability or responsibility by any of the provisions of the Plan, Confirmation Order, Bankruptcy Code, or any other document filed in the Debtor's bankruptcy case.

VI. SUMMARY OF PLAN CLASSIFICATION, TREATMENT, AND DISTRIBUTION; TREATMENT OF EXECUTORY CONTRACTS; CONDITIONS TO AND EFFECT OF CONFIRMATION

This section of the Disclosure Statement summarizes the Plan. This summary is qualified in its entirety by reference to the Plan.

6.1 Administrative Expense Claims, Professional Fee Claims, and Priority Tax Claims

(a) Administrative Expense Claims Bar Date.

Except as provided for herein or in any order of the Bankruptcy Court, and subject to section 503(b)(1)(D) of the Bankruptcy Code, holders of Administrative Expense Claims (other than Professional Fee Claims and Statutory Fees) must file and serve on the Debtor requests for the payment of such Administrative Expense Claims not already Allowed by a Final Order in accordance with the procedures specified in the Confirmation Order, on or before the Administrative Expense Claims Bar Date or be forever barred, estopped, and enjoined from asserting such Claims against the Debtor or its Assets.

(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 2.1 of the Plan, shall become an Allowed Administrative Expense Claim if no objection to such request is filed by the Liquidating Trustee with the Bankruptcy Court on or before one-hundred and eighty (180) calendar days after the Effective Date, or on such later date as may be fixed by 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 Final Order or such Claim is settled, compromised, or otherwise resolved by the Liquidating Trustee pursuant to Section 7.6 of the Plan. On the Effective Date, the Independent Manager Fee Claims shall be deemed Allowed Administrative Expense Claims against the Debtor.

(c) Payment of Allowed Administrative Expense Claims.

Except to the extent that a holder of an Allowed Administrative Expense Claim (other than a Professional Fee Claim and Statutory Fees) agrees to a different treatment, the holder of such Allowed Administrative Expense Claim shall receive, on account of such Allowed Claim, Cash in an amount equal to the Allowed amount of such Claim from the Priority Reserve within thirty (30) calendar days following the later to occur of (i) the Effective Date and (ii) the date on which such Administrative Expense Claim shall become an Allowed Claim.

(d) Treatment of Professional Fee Claims.

(i) All Professional Persons seeking awards by the Bankruptcy Court of Professional Fee Claims shall file, on or before the date that is thirty (30) days after the Effective Date, or as soon as reasonably practicable thereafter, their respective applications for final allowances of compensation for services rendered

and reimbursement of expenses incurred. Allowed Professional Fee Claims shall be paid in full, in Cash, from the Professional Fee Reserve, in such aggregate amounts as are Allowed by the Bankruptcy Court or authorized to be paid in accordance with the order(s) relating to or allowing any such Professional Fee Claim, (i) upon the later of the Effective Date and the date upon which the order relating to any such Allowed Professional Fee Claim is entered or (ii) upon such other terms and conditions as may be mutually agreed upon between the holder of such an Allowed Professional Fee Claim and the Debtor, the Liquidating Debtor, or the Liquidating Trustee, as applicable. On or prior to the Effective Date, the Debtor, the Liquidating Debtor, or the Liquidating Trustee, as applicable, shall establish the Professional Fee Reserve and, on the Effective Date, fund the Professional Fee Reserve with Cash in an amount equal to the Professional Fee Amount. No later than ten (10) calendar days prior to the Effective Date, holders of Professional Fee Claims shall provide a reasonable and good faith estimate of unpaid Professional Fee Claims incurred in rendering services before the Effective Date to the Debtor. If a holder of a Professional Fee Claim does not provide an estimate, the Debtor, the Liquidating Debtor, or the Liquidating Trustee, as applicable, may estimate the unpaid and unbilled reasonable and necessary fees and out-of-pocket expenses of such holder of a Professional Fee Claim. The procedures for filing objections to Professional Persons' applications for final allowance of compensation for services rendered and expenses incurred shall be set forth in the Confirmation Order.

(ii) On the date the Liquidation Trust is established or as soon as reasonably practicable thereafter, the Debtor will cause title to the Professional Fee Reserve to be transferred to the Liquidation Trust. Funds held in the Professional Fee Reserve shall not be considered property of the Debtor's Estate, the Liquidating Debtor, or the Liquidation Trust, and shall only be used for payment of Allowed Professional Fee Claims; *provided, however*, that after all Professional Fee Claims Allowed by the Bankruptcy Court and other amounts authorized to be paid pursuant to Section 2.4(iii) of the Plan have been irrevocably paid in full and no Professional Person is asserting or entitled to assert additional Professional Fee Claims or such other amounts from the Professional Fee Reserve, then any amounts remaining in the Professional Fee Reserve shall become Post-Effective Date Available Cash. The Professional Fee Reserve shall be held in trust for Professional Persons retained by the Debtor, the Independent Manager, and the Creditors' Committee and for no other parties until all Professional Fee Claims Allowed by the Bankruptcy Court have been paid in full and no Professional Person is asserting or entitled to assert additional Professional Fee Claims. Fees owing to Professional Persons shall be paid in Cash to such Professional Persons and the Independent Manager from funds held in the Professional Fee Reserve when such Claims are Allowed by an order of the Bankruptcy Court, or authorized to be paid under the Interim Compensation Order or other order authorizing the retention of a Professional Person; *provided, however*, that the Debtor's and the Liquidating Debtor's obligations with respect to Professional Fee Claims shall not be limited by, nor deemed limited to, the balance of funds held in the Professional Fee Reserve. To the extent that funds held in the Professional Fee Reserve are insufficient to satisfy the amount of accrued Allowed

Professional Fee Claims owing to any Professional Person, such Professional Person shall have an Allowed Administrative Expense Claim for any such deficiency, which shall be satisfied in accordance with Section 2.3 of the Plan (but, for the avoidance of doubt, shall not be subject to any Administrative Expense Claims Bar Date). No Claims, Interests, Liens, other encumbrances, or liabilities of any kind shall encumber the Professional Fee Reserve in any way. Notwithstanding the foregoing, Professional Persons performing services on behalf of the Debtor, the Independent Manager, or the Creditors' Committee following the Effective Date in connection with the preparation of, or objection to, fee applications (or, in the case of the Creditors' Committee, with respect to any services listed in Section 12.14 of the Plan), are entitled to payment of reasonable fees and reimbursement of reasonable expenses related to such work. For the avoidance of doubt, the Independent Manager shall retain his respective authority following the Effective Date with respect to matters relating to Professional Fee Claim requests by Professional Persons acting at his authority and direction in accordance with the terms of the Plan. The Independent Manager retains the right to review, approve, and make decisions, and to file papers and be heard before the Bankruptcy Court, on all matters under his continuing authority.

(iii) Solely with respect to the third from last sentence of Section 2.4(ii) of the Plan, any such Professional Person may, at such Professional Person's option, seek compensation for such fees and expenses either (a) in its final fee application and be paid from the Professional Fee Reserve pursuant to a Final Order approving such fee application or (b) by submitting invoices to the Liquidating Trustee for payment, and any undisputed invoices shall be paid in the ordinary course of business and without further order of the Bankruptcy Court.

(e) Treatment of Priority Tax Claims.

Except to the extent that a holder of an Allowed Priority Tax Claim agrees to a different treatment, on the Effective Date or as soon as reasonably practicable thereafter, the holder of such Allowed Priority Tax Claim shall receive, on account of such Allowed Priority Tax Claim, either Cash in an amount equal to the Allowed amount of such Claim from the Priority Reserve or such other treatment as may satisfy section 1129(a)(9) of the Bankruptcy Code.

6.2 Classification of Claims and Interests

(a) Classification in General.

A Claim or Interest is placed in a particular Class for all purposes, including voting, confirmation, and Distributions under the Plan and under sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Interest is classified in a particular Class for the purpose of receiving Distributions pursuant to the Plan only to the extent such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or Interest is also classified in a particular Class for the purpose of receiving Distributions under the Plan only to the extent such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Claim or

Interest has not been satisfied, released, or otherwise settled prior to the Effective Date. In no event shall any holder of an Allowed Claim be entitled to receive payments under the Plan that, in the aggregate, exceed the Allowed amount of such holder's Claim.

(b) Summary of Classification of Claims and Interests.

The following table designates the Classes of Claims against, and Interests in, the Debtor and specifies which Classes are (i) Impaired and Unimpaired under the Plan, (ii) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code, and (iii) deemed to accept or reject the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims have not been classified. All of the potential Classes for the Debtor are set forth herein.

Class	**Type of Claim or Interest**	**Impairment**	**Entitled to Vote**
Class 1	Other Priority Claims	Unimpaired	No (Presumed to Accept)
Class 2	Secured Claims	Unimpaired	No (Presumed to Accept)
Class 3	General Unsecured Claims	Impaired	Yes
Class 4	General Convenience Claims	Impaired	Yes
Class 5	Talc Claims	Impaired	Yes
Class 6	Interests	Impaired	No (Deemed to Reject)

(c) Elimination of Vacant Classes.

Any Class that, as of the commencement of the Confirmation Hearing, does not have at least one holder of a Claim or Interest, as applicable, that is Allowed in an amount greater than zero for voting purposes or otherwise included to determine acceptance of the Plan, shall be considered vacant, deemed eliminated from the Plan for purposes of voting to accept or reject the Plan, and disregarded for purposes of determining whether the Plan satisfies sections 1129(a)(8) and 1129(a)(10) of the Bankruptcy Code with respect to such Class.

(d) Voting Classes; Presumed Acceptance by Non-Voting Classes.

If a Class contained Claims eligible to vote and no holder of Claims eligible to vote in such Class votes to accept or reject the Plan by the Voting Deadline, the Plan shall be presumed accepted by the holders of such Claims in such Class.

(e) Voting; Presumptions; Solicitation.

(i) **Acceptance by Certain Impaired Classes**. Only holders of Claims in Class 3, Class 4, and Class 5 are entitled to vote to accept or reject the Plan. An Impaired Class of Claims shall have accepted the Plan if (a) the holders of at least two-thirds (2/3) in amount of Claims actually voting in such Class have voted to

accept the Plan and (b) the holders of more than one-half (1/2) in number of the Claims actually voting in such Class have voted to accept the Plan. Holders of Claims in Class 3, Class 4, and Class 5 shall receive Ballots containing detailed voting instructions.

(ii) **Deemed Acceptance by Unimpaired Classes**. Holders of Claims in Class 1 and Class 2 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Accordingly, such holders are not entitled to vote to accept or reject the Plan.

(iii) **Deemed Rejection by Certain Impaired Classes**. Holders of Interests in Class 6 are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Accordingly, such holders are not entitled to vote to accept or reject the Plan.

(iv) **Individual Creditor Voting Rights**. Notwithstanding anything to the contrary in the Plan, the voting rights of holders of Claims in any Class shall be governed in all respects by the Disclosure Statement Order. Each Talc Claim in Class 5 shall be fixed in the amount designated in the Disclosure Statement Order, solely for voting purposes and not for allowance or Distribution purposes.

(f) Cramdown.

If any Class of Claims is deemed to reject the Plan or is entitled to vote on the Plan and does not vote to accept the Plan, the Debtor may (i) seek Confirmation of the Plan under section 1129(b) of the Bankruptcy Code or (ii) amend or modify the Plan in accordance with the terms hereof and the Bankruptcy Code. If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

6.3 Treatment of Claims and Interests

(a) Class 1: Other Priority Claims.

(i) Treatment: The legal, equitable, and contractual rights of holders of Other Priority Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed Other Priority Claim agrees to different treatment, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed Other Priority Claim shall receive, on account of such Allowed Claim, (a) payment in full in Cash from the Priority Reserve or (b) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

(ii) Impairment and Voting: Other Priority Claims are Unimpaired. Holders of Other Priority Claims are conclusively presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Priority Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Other Priority Claims.

(b) Class 2: Secured Claims.

(i) Classification: Class 2 consists of Secured Claims against the Debtor. To the extent that Secured Claims are secured by different collateral or different interests in the same collateral, such Claims shall be treated as separate subclasses of Class 2.

(ii) Treatment: The legal, equitable, and contractual rights of holders of Secured Claims are unaltered by the Plan. Except to the extent that a holder of an Allowed Secured Claim agrees to different treatment, on the later of the Effective Date and the date that is thirty (30) calendar days after the date such Secured Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, on account of such Allowed Claim, (a) payment in full in Cash in accordance with section 506(a) of the Bankruptcy Code from the Priority Reserve, (b) the collateral securing its Allowed Secured Claim, or (c) such other treatment so as to render such holder's Allowed Secured Claim Unimpaired.

(iii) Impairment and Voting: Secured Claims are Unimpaired. Holders of Secured Claims are conclusively presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Secured Claims are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Secured Claims.

(c) Class 3: General Unsecured Claims.

(i) Allowance: Unless otherwise Allowed or Disallowed as of the Effective Date, each General Unsecured Claim shall be Allowed or Disallowed pursuant to Article VII of the Plan.

(ii) Treatment: Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Unsecured Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive such holder's General Unsecured Claim Distribution. General Unsecured Claim Distributions shall be made to holders of Allowed General Unsecured Claims as soon as reasonably practicable on the later of (i) thirty (30) calendar days after the GUC Cause of Action Completion Date and (ii) thirty (30) calendar days after such General Unsecured Claim becomes an Allowed Claim.

(iii) Impairment and Voting: General Unsecured Claims are Impaired. Holders of General Unsecured Claims are entitled to vote to accept or reject the Plan.

(d) Class 4: General Convenience Claims.

(i) Treatment: Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Convenience Claim agrees to different

treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Convenience Claim, each holder of an Allowed General Convenience Claim shall receive payment in Cash in an amount equal to 90% to 100% of such Allowed General Convenience Claim on the Effective Date or as soon as reasonably practicable thereafter. To the extent a General Convenience Claim is subject to an objection on the Effective Date, such General Convenience Claim shall be paid thirty (30) calendar days after such General Convenience Claim becomes an Allowed Claim (if applicable).[17]

(ii) Impairment and Voting: General Convenience Claims are Impaired. Holders of General Convenience Claims are entitled to vote to accept or reject the Plan.

(e) Class 5: Talc Claims.

(i) Allowance: Unless otherwise Allowed or Disallowed as of the Effective Date, to the extent permitted by the Bankruptcy Code, each Talc Claim shall be Allowed or Disallowed pursuant to the Trust Distribution Procedures.

(ii) Treatment: Pursuant to the Plan and the Trust Distribution Procedures, on the Effective Date, liability for all Talc Claims shall be permanently assumed by the Liquidation Trust without further act or deed and shall be resolved in accordance with the Trust Distribution Procedures. Except to the extent that a holder of an Allowed Talc Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and exchange for an Allowed Talc Claim, each such holder shall receive, from the Liquidation Trust, such holder's share of the TC Recovery Fund in accordance with the Trust Distribution Procedures.

(iii) Impairment and Voting: Talc Claims are Impaired. Holders of Talc Claims are entitled to vote to accept or reject the Plan.

(f) Class 6: Interests.

(i) Treatment: As of the Effective Date, (a) all Interests shall be cancelled and shall be of no further force or effect and (b) the New Membership Interest shall be issued to the Liquidation Trust, in each case without further action by any Person or order of the Bankruptcy Court. From and after the Effective Date, the Liquidation Trust shall own the New Membership Interest solely for purposes of facilitating the orderly administration of the winding up and dissolution of the Liquidating Debtor. Holders of Interests shall not receive or retain any property or Distributions under the Plan on account of such Interests.

[17] For example, if a holder has an Allowed General Unsecured Claim of $500 and makes a Convenience Claim Election, such holder's Allowed General Convenience Claim would remain $500, entitling the holder to receive a minimum of $450 (90% of $500) in Cash. However, if a holder has an Allowed General Unsecured Claim of $10,000 and makes a Convenience Claim Election, such Claim would be reduced to the Convenience Claim Threshold of $5,000, entitling the holder to receive a minimum of $4,500 (90% of $5,000) in Cash.

(ii) Impairment and Voting: Interests are Impaired. Holders of Interests are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, holders of Interests are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Interests.

(g) Debtor's Rights with Respect to Unimpaired Claims.

Except as otherwise provided in the Plan, nothing under the Plan shall affect the rights of the Liquidating Debtor or the Liquidating Trustee with respect to an Unimpaired Claim, including all rights with respect to legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims.

(h) Treatment of Vacant Classes.

Any Claim or Interest in a Class that is considered vacant under Section 3.3 of the Plan shall receive no Distribution.

6.4 Means for Implementation

(a) Cancellation of Notes, Interests, Instruments, Certificates, and Other Documents.

Except as otherwise provided herein, on and after the Effective Date, all Interests and all notes, instruments, certificates, agreements, indentures, mortgages, security documents, and other documents evidencing Claims against or Interests in the Debtor or obligations of the Debtor thereunder or in any way related to the foregoing shall be deemed cancelled, satisfied in full, surrendered and of no further force and effect without any need for further action or approval of the Bankruptcy Court.

(b) Liquidating Trustee.

(i) **Appointment and Role of Liquidating Trustee**. The identity of the initial Liquidating Trustee shall be set forth in the Plan Supplement. The appointment of the Liquidating Trustee shall be approved in the Confirmation Order, and such appointment shall be effective as of the Effective Date, except to the extent set forth in the applicable VLT Documents. In accordance with the VLT Documents, and in furtherance of and consistent with the purposes of the Liquidation Trust and the Plan, the Liquidating Trustee shall have the power and authority to act as trustee of the Liquidation Trust and perform the Authorized Acts through the earlier of (a) the VLT Termination Date and (b) the date such Liquidating Trustee resigns, is terminated, or is otherwise unable to serve for any reason, as determined by the Liquidating Trustee.

(ii) **Liquidating Trustee's Tax Power for the Debtor**. Subject to the Sale Order and the Asset Purchase Agreement, the Liquidating Trustee, in its capacity as the trustee of the Liquidation Trust, shall have full and exclusive authority and responsibility with respect to all taxes of the Debtor to the same extent as if the Liquidating Trustee were the debtor-in-possession. Without limiting the

foregoing, the Debtor shall execute, on or prior to the Effective Date, a power of attorney authorizing the Liquidating Trustee, in its capacity as the trustee of the Liquidation Trust, to correspond with any taxing authority on behalf of the Debtor and to sign, collect, negotiate, settle, and administer tax payments and tax returns. In furtherance of the foregoing:

1. After the Effective Date, the Liquidating Trustee shall prepare and file (or cause to be prepared and filed), on behalf of the Debtor, all tax returns required to be filed or that the Liquidating Trustee otherwise deems appropriate, including the filing of amended tax returns or requests for refunds for all taxable periods.

2. Subject to the Sale Order and the Asset Purchase Agreement, the Liquidation Trust shall be entitled to all tax refunds of the Debtor (other than such refunds in respect of any taxes that are "Assumed Liabilities" under the Asset Purchase Agreement), and the Liquidation Trust shall bear responsibility for all tax liabilities of the Debtor for all taxable years, to the extent not assumed by the Buyer pursuant to the Sale Order and the Asset Purchase Agreement or satisfied or otherwise released by the Plan.

(iii) **Board of Managers and Officers**. Upon the Effective Date: (a) the officers and managers of the Debtor existing prior to the Effective Date shall be removed and relieved of any and all duties with respect to the Debtor (except as otherwise specified in Section 2.4(ii) of the Plan) without any further action and without the need to obtain any approvals, authorizations, or consents; (b) the Liquidating Trustee shall be the sole officer, or manager, as applicable, of the Debtor without any further action and without the need to obtain any approvals, authorizations, or consents; and (c) the charters, by-laws, and other organizational documents of the Debtor shall be deemed amended to give effect to subsection (a) of Section 5.2(iii) of the Plan.

(iv) **Retention of Professionals by Liquidating Trustee**. The Liquidating Trustee may retain and reasonably compensate counsel and other professionals, including any counsel or professional who represented parties in interest in the Chapter 11 Case, to assist in its duties as Liquidating Trustee on such terms as the Liquidating Trustee deems appropriate without Bankruptcy Court approval, subject to the provisions of the VLT Documents. All fees and expenses incurred in connection with the foregoing shall be payable from the VLT Operating Reserve, subject to the terms of the VLT Documents.

(v) **Claim Determination**. In furtherance of, and consistent with, the purpose of the Liquidation Trust and the Plan, the Liquidating Trustee shall have the power and authority to determine the eligibility, amount, and allowance of Talc Claims pursuant to the Plan and the Trust Distribution Procedures, as applicable. The Liquidating Trustee's determination of eligibility, amount, and allowance of each Talc Claim shall be final and binding, as between the holders of any Talc Claims and the Liquidation Trust, and such determination, shall not be subject to

any challenge or review of any kind, by any court or other person or entity, except as set forth in the Plan and the Trust Distribution Procedures, as applicable; *provided, however*, that nothing herein determines whether any Insurance Company is obligated to provide coverage for, or pay, the amount of any Allowed Talc Claim or any other amount. The allowance of General Unsecured Claims shall be determined according to Article VII of the Plan.

(c) Liquidation Trust.

(i) **Establishment of Liquidation Trust**. On or before the Effective Date, the Debtor, the Liquidating Debtor, and the Liquidating Trustee, as applicable, shall take all necessary steps to establish the Liquidation Trust for the benefit of holders of General Unsecured Claims, General Convenience Claims, and Talc Claims. The Liquidation Trust shall be established on the Effective Date upon the execution of the Trust Agreement by the parties thereto.

(ii) **Purpose of Liquidation Trust**. The Liquidation Trust shall be established for the purposes described in the Plan in accordance with Treasury Regulations Section 301.7701-4(d), including to allow the Liquidating Trustee to carry out the Authorized Acts. The Liquidation Trust shall retain all rights to commence and pursue all Retained Causes of Action. The Liquidation Trust shall have no objective to continue or engage in the conduct of a trade or business.

The Liquidation Trust shall administer, process, settle, resolve, liquidate, satisfy, and pay (from the designated fund therefor), as applicable, Claims against the Debtor, subject to the terms of the VLT Documents, the Plan, and the Confirmation Order. The Liquidation Trust shall be administered and implemented by the Liquidating Trustee. To facilitate any settlement of Insurance Rights or Retained Causes of Action, the Liquidating Trustee may request that the Bankruptcy Court approve such settlements under subsections 363(b), (f), and (m) of the Bankruptcy Code and enter injunctive relief pursuant to section 105 of the Bankruptcy Code.

(iii) **Transfer of VLT Assets to Liquidation Trust**. On the Effective Date, the VLT Assets will be transferred to and vest in the Liquidation Trust in accordance with the terms set forth in the Plan, including Section 5.3(iv), and the VLT Documents; *provided, however*, that to the extent certain VLT Assets cannot be transferred to, vested in, and assumed by the Liquidation Trust on such date or otherwise are not available to be so transferred until after such date, such VLT Assets shall be automatically, and without further act or deed by any Person or Entity, transferred to, vested in, or assumed by the Liquidation Trust as soon as reasonably practicable after such date. Notwithstanding anything in the Plan to the contrary, no VLT Asset shall be used for any purpose other than as contemplated by, and in accordance with, the Plan and the VLT Documents. Except for the Insurance Rights Transfer, which shall be subject to Section 5.3(iv) of the Plan, the transfer of the VLT Assets to the Liquidation Trust shall be free and clear of all Claims, Interests, Liens, other encumbrances, and liabilities of any kind.

(iv) **Insurance Rights Transfer**. In furtherance of the purpose of the Liquidation Trust:

1. On the Effective Date, the Liquidating Debtor shall irrevocably transfer, grant, and assign to the Liquidation Trust, and the Liquidation Trust shall receive and accept the Debtor's Insurance Rights. For the avoidance of doubt, the Insurance Rights transferred pursuant to the Plan remain subject to the terms and conditions of the applicable Insurance Policies.

2. Except as provided in Section 5.3(iv) or Section 5.5 of the Plan, the Insurance Rights Transfer is made free and clear of all Claims, Liens, encumbrances, or Causes of Action of any nature whatsoever, except available limits of liability for coverage of certain types of Claims under one or more Insurance Policies that may have been reduced by certain pre- and post-petition payments made by an Insurance Company to, or on behalf of, the Debtor. For the avoidance of doubt, the Insurance Rights transferred pursuant to the Plan remain subject to the terms and conditions of the applicable Insurance Policies.

3. The Liquidation Trust shall satisfy, to the extent required under applicable law, any premiums, deductibles, or self-insured retentions, and any other amounts arising in any way out of the receipt of any payment from any Insurance Company and in connection with any Allowed General Unsecured Claims and Allowed Talc Claims under any Insurance Policy.

4. The Insurance Rights Transfer is made to the maximum extent possible under applicable law. For the avoidance of doubt, the Insurance Rights transferred pursuant to the Plan remain subject to the terms and conditions of the applicable Insurance Policies.

5. The Insurance Rights Transfer is absolute and does not require any further action by the Debtor, the Liquidating Debtor, the Liquidation Trust, the Bankruptcy Court, or any other Entity.

6. The Insurance Rights Transfer shall be governed by, and construed in accordance with, the Bankruptcy Code and the other applicable laws governing the Insurance Policies and the CIP Agreements.

7. To the maximum extent permitted under applicable law, payments received (or deemed received) by the TC Recovery Fund or the GUC Recovery Fund with respect to Insurance Rights shall be treated for all applicable income tax purposes as not being required to be included in the gross income of the TC Recovery Fund or the GUC Recovery Fund. For all applicable income tax purposes, no deduction shall be taken on any tax return of the Debtor or Holdings with respect to (i) the Insurance Rights Transfer or (ii) any payments with respect to Insurance Rights; provided

that, to the extent that any payments received (or deemed received) by the TC Recovery Fund or the GUC Recovery Fund with respect to Insurance Rights are not permitted under applicable law to be excluded from the gross income of the TC Recovery Fund or the GUC Recovery Fund, a deduction may be taken on the tax return of the Debtor or Holdings with respect to (i) the Insurance Rights Transfer or (ii) payments with respect to Insurance Rights.

(v) **Funding of VLT Operating Reserve**. On the Effective Date, or as soon as practicable thereafter, the Debtor or the Liquidating Debtor, as applicable, shall transfer Effective Date Available Cash in the VLT Operating Reserve Amount to an account of the Liquidation Trust to fund the VLT Operating Reserve. The Liquidating Trustee shall, in the name of the Liquidation Trust, establish a separate account for the VLT Operating Reserve. Periodically, until the VLT Termination Date, the Liquidating Trustee will replenish the VLT Operating Reserve in accordance with Section 5.8(ii) of the Plan to the extent deemed necessary by the Liquidating Trustee to satisfy and pay estimated future VLT Operating Expenses.

(vi) **Administrative Obligations and Assumption of Liabilities**. In furtherance of the purposes of the Liquidation Trust, and subject to the VLT Documents, the Liquidation Trust shall, as of the Effective Date, expressly (a) assume all responsibility and liability for all (1) Professional Fee Claims, (2) Administrative Expense Claims, Secured Claims, and Priority Claims, (3) General Convenience Claims, (4) General Unsecured Claims, (5) Talc Claims, and (6) VLT Operating Expenses, and (b) undertake to administer and pay the foregoing with funds designated to (1) the Professional Fee Reserve, (2) the Priority Reserve, (3) the General Convenience Claim Recovery Fund, (4) the GUC Recovery Fund, (5) the TC Recovery Fund, and (6) the VLT Operating Reserve, respectively. In addition, the Liquidation Trust shall, as of the Effective Date, assume sole and exclusive responsibility and liability for all liabilities of the Liquidating Debtor arising after the Effective Date, and such liabilities shall be liquidated, resolved, or paid by the Liquidation Trust from the VLT Operating Reserve. The Liquidation Trust shall have all defenses, cross-claims, offsets, and recoupments regarding Claims or post-Effective Date liabilities that the Debtor or the Liquidating Debtor have, or would have had, under applicable law; *provided*, *however*, that no such claims, defenses, or rights may be asserted against the Debtor or the Liquidating Debtor.

(vii) **Payment to Holders of Talc Claims**. Talc Claims will be administered and liquidated pursuant to the Plan and the Trust Distribution Procedures, as applicable. After such Claims are Allowed by the Liquidating Trustee, the Liquidating Trustee shall make Distributions to each holder of an Allowed Talc Claim from the TC Recovery Fund, at such time as determined by the Liquidating Trustee in accordance with the treatments set forth in the Plan and the Trust Distribution Procedures. Distributions from the TC Recovery Fund shall be the sole source of recovery for holders of Allowed Talc Claims on account of

such Claims, and no holder of a Talc Claim shall have any further recourse from the Liquidation Trust, the Debtor, the Liquidating Debtor, or the Estate.

(viii) **Trust Advisory Committee**. The composition of the Trust Advisory Committee will be set forth in the Plan Supplement.

The Trust Advisory Committee shall have such rights and powers relating to the supervision of the Liquidation Trust as set forth in the VLT Documents.

(ix) **Reporting to Trust Advisory Committee**. To the extent reasonably requested by the Trust Advisory Committee, the Liquidating Trustee shall provide the following reporting to the Trust Advisory Committee: (a) the status of the claims reconciliation process; (b) the determination and any re-determination, as applicable, of the total amounts of Cash in each of the Priority Reserve, the General Convenience Claim Recovery Fund, the GUC Recovery Fund, the TC Recovery Fund, and the VLT Operating Reserve; and (c) such other reasonable information supporting the determinations and re-determination, as applicable, described in subsection (b).

(x) **Institution and Maintenance of Legal and Other Proceedings**. As of the Effective Date, the Liquidation Trust shall be empowered to initiate, prosecute, defend, and resolve all legal actions and other proceedings related to any VLT Asset or liability of the Liquidation Trust. The Liquidation Trust shall be empowered to initiate, prosecute, defend, and resolve all such actions in the name of the Debtor or the Liquidating Debtor, as applicable, if deemed necessary or appropriate by the Liquidating Trustee. The Liquidation Trust shall be responsible for the 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 brought pursuant to Section 5.3 of the Plan and shall pay or reimburse all deductibles, retrospective premium adjustments, or other charges which may arise from the receipt of any Insurance Proceeds by the Liquidation Trust (to the extent required under applicable law and the Insurance Policies). For the avoidance of doubt, the Liquidation Trust, pursuant to section 1123(b)(3)(B) of the Bankruptcy Code and applicable state corporate law, is appointed as the successor-in-interest to, and representative of, the Debtor and its Estate for the retention, enforcement, settlement, or adjustment of all Claims, including General Unsecured Claims, General Convenience Claims, and Talc Claims.

(xi) **GUC Convenience Administration Completion Date and GUC Administration Completion Date**. Upon the GUC Convenience Administration Completion Date, (a) any Cash remaining in the General Convenience Claim Recovery Fund shall be deemed Post-Effective Date Available Cash and (b) the General Convenience Claim Recovery Fund shall be dissolved. Upon the GUC Administration Completion Date, (x) any Cash remaining in the GUC Recovery Fund shall be deemed Post-Effective Date Available Cash and (y) the GUC Recovery Fund shall be dissolved.

(xii) **Dissolution**. The Liquidation Trust shall be dissolved, and the Liquidating Trustee and the Trust Advisory Committee shall be discharged from their duties with respect to the Liquidation Trust, on the VLT Termination Date, upon completion of their duties as set forth in the Plan and the VLT Documents. Subject to Section 5.3(xii) of the Plan, the VLT Termination Date shall be no earlier than the GUC Administration Completion Date, the GUC Convenience Administration Completion Date and the date on which (a) all Talc Claims that were submitted to the Liquidation Trust with the required filing fee on or prior to the date that is one (1) year following the date the Liquidation Trust makes available to holders of Talc Claims a proof of Claim form and instructions for filing a Talc Claim with the Liquidation Trust have been reviewed by the Liquidation Trust and, if approved, been afforded an opportunity to execute and return a properly executed release pursuant to the Trust Distribution Procedures, (b) all VLT Assets have been liquidated, and (c) all Distributions from the Liquidation Trust required to be made by the Liquidating Trustee under the Plan and the VLT Documents have been made, unless dissolution on an earlier date is authorized pursuant to a Final Order of the Bankruptcy Court. Upon the VLT Termination Date, in accordance with the Plan and the Trust Distribution Procedures, (1) any Cash remaining in the VLT Operating Reserve shall be allocated to the TC Recovery Fund and (2) any Cash remaining in the TC Recovery Fund shall be distributed to holders of Allowed Talc Claims. Notwithstanding the foregoing, in no event shall the Liquidation Trust be dissolved later than five (5) years from the date the Liquidation Trust is established unless the Bankruptcy Court, upon motion made within the six (6) month period before such fifth (5th) anniversary (and, in the event of further extension, by order of the Bankruptcy Court, upon motion made at least six (6) months before the end of the preceding extension), determines that a fixed period extension (not to exceed three (3) years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Liquidating Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for U.S. federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the VLT Assets.

(xiii) **United States Federal Income Tax Treatment of Liquidation Trust.** In furtherance of Section 5.3 of the Plan: (a) the Liquidation Trust shall be structured to qualify as a "liquidating trust" within the meaning of Treasury Regulation Section 301.7701-4(d) and in compliance with Revenue Procedure 94-45, 1994-2 C.B. 684 and, thus, as a "grantor trust" within the meaning of sections 671 through 679 of the Internal Revenue Code with respect to the holders of beneficial interests in the Liquidation Trust, consistent with the terms of the Plan; (b) the sole purpose of the Liquidation Trust shall be the liquidation and distribution of the VLT Assets in accordance with Treasury Regulation Section 301.7701-4(d), including the resolution of Claims in accordance with the Plan, with no objective to continue or engage in the conduct of a trade or business; (c) all parties (including the Debtor, its Estate, the Liquidating Debtor, holders of beneficial interests in the Liquidation Trust, and the Liquidating Trustee) shall report consistently with such treatment (including the deemed receipt of the underlying assets, subject to

applicable liabilities and obligations, by the holders of beneficial interests in the Liquidation Trust, followed by the deemed transfer of such VLT Assets to the Liquidation Trust); (d) all parties shall report consistently with the valuation of the VLT Assets transferred to the Liquidation Trust as determined by the Liquidating Trustee (or its designee); (e) the Liquidating Trustee shall be responsible for filing returns for the Liquidation Trust as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a); and (f) the Liquidating Trustee shall annually send to each holder of beneficial interests in the Liquidation Trust a separate statement regarding the receipts and expenditures of the Liquidation Trust as relevant for United States federal income tax purposes.

(xiv) Subject to definitive published guidance from the IRS or a decision of a court of competent jurisdiction to the contrary (including the receipt by the Liquidating Trustee of a private letter ruling if the Liquidating Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Liquidating Trustee), the Liquidating Trustee may (a) timely elect to treat the GUC Recovery Fund, General Convenience Claim Recovery Fund, and any portion of the Liquidation Trust allocable to Disputed Claims as a "disputed ownership fund" governed by Treasury Regulation Section 1.468B-9 (and make any appropriate elections), (b) file such tax returns (including the filing of a separate tax return for any "disputed ownership fund") and pay such taxes as may be required consistent with such treatment, and (c) to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. If a "disputed ownership fund" election is made, all parties (including the Debtor, its Estate, the Liquidating Debtor, holders of beneficial interests in the Liquidation Trust, and the Liquidating Trustee) shall report for United States federal, state, and local income tax purposes consistently with the foregoing.

(xv) The TC Recovery Fund is intended to be treated, and shall be reported, as a "qualified settlement fund" for United States federal income tax purposes and shall be treated consistently for state and local tax purposes, to the extent applicable. Notwithstanding the preceding paragraphs, in addition to the TC Recovery Fund, all or part of the Liquidation Trust may be treated (now or in the future) as a "qualified settlement fund" within the meaning of, and as required by, Treasury Regulation Section 1.468B-1. If the Liquidation Trust or any portion thereof is treated as a qualified settlement fund, it shall be treated consistently for state and local tax purposes, to the extent applicable and the Liquidating Trustee and all holders of beneficial interests in the Liquidation Trust shall report consistently with the foregoing. The Liquidating Trustee shall be the "administrator," within the meaning of Treasury Regulation Section 1.468B-2(k)(3), of any such qualified settlement fund. The Liquidating Trustee shall be responsible for filing all tax returns of the qualified settlement fund and the payment, out of the assets of the qualified settlement fund, of any taxes due with respect to trust assets or otherwise imposed on the qualified settlement fund (including any tax liability arising in connection with the distribution of trust assets), and shall be permitted to sell any assets of the qualified settlement fund to

the extent necessary to satisfy such tax liability (including any tax liability arising in connection with such sale).

(xvi) **Expedited Determination of Taxes**. The Liquidating Trustee may request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all tax returns filed by or on behalf of the Liquidation Trust (including, for the avoidance of doubt, any tax return with respect to any "disputed ownership fund" or "qualified settlement fund" established hereunder) through the VLT Termination Date, and for all tax returns filed by or on behalf of the Debtor or the Liquidating Debtor for all taxable periods of the Debtor and the Liquidating Debtor.

(xvii) Preservation of Causes of Action. On the Effective Date, the Retained Causes of Action shall vest in the Liquidation Trust free and clear of all Claims, Liens, encumbrances and other interests. On and after the Effective Date, the Liquidation Trust shall have sole and exclusive discretion to pursue and dispose of the Retained Causes of Action. Prior to the Effective Date, the Debtor (with the prior written consent of the Creditors' Committee) and, on and after the Effective Date, the Liquidation Trust, as applicable, shall retain and shall have, through their authorized agents or representatives, the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court. No Person or Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Liquidation Trust will not pursue any and all available Causes of Action. Unless and until any such Causes of Action against any Person or Entity are expressly waived, relinquished, exculpated, released, compromised, or settled under the Plan or a Final Order, the Liquidation Trust expressly reserves all such Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation.

(d) Section 1145 Exemption; Non-Transferability of Rights.

(i) The issuance of the New Membership Interest to the Liquidation Trust pursuant to the Plan shall be exempt, pursuant to section 1145 of the Bankruptcy Code, without further act or actions by any Person, from registration under the Securities Act, and all rules and regulations promulgated thereunder, and any other applicable securities laws, to the fullest extent permitted by section 1145 of the Bankruptcy Code.

(ii) Any right to receive a Distribution from the Liquidation Trust will not, and is not intended to, constitute "securities" and, accordingly, will not be registered pursuant to the Securities Act or any applicable state or local securities law. However, if it should be determined that any such right to receive such

Distributions constitute "securities," the exemption provisions of section 1145 of the Bankruptcy Code will be satisfied and the offer and sale under the Plan of such right will be exempt from registration under the Securities Act, all rules and regulations promulgated thereunder, and all applicable state and local securities laws and regulations. Any such right to receive such Distributions (and the underlying Claim giving rise thereto) shall not: (a) be voluntarily or involuntarily, directly or indirectly, assigned, conveyed, hypothecated, pledged, or otherwise transferred or traded; (b) be evidenced by a certificate or other instrument; and (c) possess any voting rights with respect to the Liquidation Trust or otherwise.

(e) Insurance Provisions.

(i) Except for the transfer of rights to the Liquidation Trust pursuant to the Insurance Rights Transfer, or as otherwise provided by the Bankruptcy Code, applicable law, or the findings made by the Bankruptcy Court in the Confirmation Order, nothing in the Plan, the Plan Documents, or the Confirmation Order shall modify, amend, or supplement, or be interpreted as modifying, amending, or supplementing, the terms and conditions of any Insurance Policy, Insurance Settlement Agreement, or CIP Agreement issued by any Non-Settling Insurance Company, the rights or obligations under any such Insurance Policy, Insurance Settlement Agreement, or CIP Agreement to the extent such rights and obligations are otherwise available under applicable law, or the Insurer Coverage Defenses. The rights and obligations, if any, of any Non-Settling Insurance Company relating to or arising out of the Plan Documents, including the Plan, the Confirmation Order, or any provision thereof, shall be determined pursuant to the terms and provisions of the Insurance Policies, Insurance Settlement Agreement, CIP Agreements and applicable law.

(ii) Notwithstanding anything to the contrary, nothing in the Plan, the Plan Documents, or the Confirmation Order constitutes or shall be deemed to be a finding or conclusion that any Insurance Policy exists or provides coverage to the Debtor, the Liquidating Debtor, or any other Person.

(iii) Notwithstanding anything to the contrary, nothing in the Plan, the Plan Documents, or the Confirmation Order shall constitute or be deemed to be a finding or conclusion as to whether or not any Non-Settling Insurance Company is obligated to provide coverage for, or pay, the amount determined under the Trust Distribution Procedures for any Allowed Talc Claim or any other amount.

(iv) No provision of the Plan, other than those provisions contained in the applicable injunctions contained in Article X of the Plan, shall be interpreted to affect or limit the protections afforded by the Plan Injunction and the Insurance Entity Injunction.

(v) Nothing in Section 5.5 of the Plan is intended or shall be construed to preclude otherwise applicable principles of res judicata or collateral estoppel from being applied against any Person.

(vi) Nothing in the Plan or the Confirmation Order shall operate to require any Insurance Company or third-party administrator to pay under any Insurance Policy the liability of any Person or Entity that was not insured thereunder before the Effective Date for any liability that arose before the Effective Date.

(vii) The Liquidation Trust shall satisfy, to the extent required under the relevant policies and applicable law, any self-insured retentions and/or any retrospective premiums arising out of any Claims under the Insurance Policies. In the event that an Insurance Company pays such self-insured retention and is entitled to reimbursement from the Liquidation Trust under applicable law, such Non-Settling Insurance Company shall receive that reimbursement in the form of a set-off solely against any claim for coverage by the Liquidation Trust against that Non-Settling Insurance Company with respect to the relevant Claim.

(f) Indemnification of Liquidating Trustee.

The Liquidating Trustee shall be entitled to indemnification and reimbursement for fees and expenses in defending any and all of its actions or inactions in its capacity as, or on behalf of, the Liquidating Trustee, the Liquidation Trust, or the Liquidating Debtor, except for any actions or inactions found by Final Order to be arising out of its gross negligence, willful misconduct, or fraud. Any valid indemnification claim of the Liquidating Trustee shall be satisfied from the VLT Operating Reserve.

(g) Data Transfer; Privilege; Access to Books and Records

(i) To investigate, prosecute, compromise, and/or settle the Insurance Rights and Retained Causes of Action on behalf of the Liquidation Trust, on or prior to the Effective Date, subject to the Sale Order and the Asset Purchase Agreement, the following information or documents in the possession of the Debtor or the Liquidating Debtor, as applicable, as of the Effective Date shall be deemed transferred and assigned by the Liquidating Debtor to the Liquidating Trustee: (a) copies of all Insurance Policies and CIP Agreements; (b) information and copies of documents, including books and records of the Debtor (in electronic and/or physical form), that reasonably relate to any claims previously noticed, tendered or submitted or paid by any Insurance Company under the Insurance Policies to the extent that they (1) relate to periods ending on or before the Effective Date and (2) are reasonably necessary to enable the Liquidating Trustee to perform its duties; and (c) other information and copies of all other documents (in electronic and physical form), including books and records of the Debtor that are reasonably necessary to preserve, secure or obtain the benefit of the Insurance Rights Transfer.

(ii) The Liquidating Trustee, on behalf of the Liquidation Trust, shall succeed to the Debtor as party to any transition services agreement executed by the Debtor in connection with the Sale Order and the Asset Purchase Agreement.

(iii) The Liquidation Trust shall not use Privileged Information for any purpose unrelated to their functions and obligations under the Plan and the VLT Documents (including the liquidation of Talc Claims and the prosecution of Retained Causes of Action). The Liquidation Trust shall protect Privileged Information against inadvertent or unnecessary disclosure to third parties to maintain the privileged status of Privileged Information. The transfer of documents and production of information to the Liquidating Trustee shall not result in the destruction or waiver of any applicable Privileges held by the Debtor or the Independent Special Committee as of the Effective Date. Further, with respect to any such Privileges: (a) they are extended solely to the Liquidation Trust and its counsel, retained professionals, and representatives for the limited purpose of allowing the Liquidation Trust to perform its duties to administer the Liquidation Trust and for no other reason and (b) they are not extended to the Trust Advisory Committee, or any other Person who has been engaged by, represents, or has represented any holder of a Talc Claim or any Person that alleges or may allege a Talc Claim, directly or indirectly, relating to, or arising from, the Debtor's products or operations. The Confirmation Order shall provide that pursuant to, inter alia, Federal Rule of Evidence 502(d), no privileges shall be waived by the transfer and assignment of any privileges or the production of any Privileged Information to the Liquidation Trust or any of its employees, professionals or representatives, or by disclosure of such Privileged Information to the Liquidation Trust or any of its employees, professionals or representatives. The Liquidation Trust's rights in the Privileged Information will remain subject to the rights of third parties under applicable law, including any rights arising from the common interest doctrine, the joint defense doctrine, joint attorney-client representation, or any agreement.

(iv) In connection with the Confirmation of the Plan and prior to the Effective Date, the Debtor shall cooperate in good faith in connection with the Data Transfer, including to determine a mutually agreeable process for effectuating the Data Transfer to the Liquidation Trust on or before the Effective Date. The completion of the Data Transfer is a condition to the Plan going effective under Section 9.1 of the Plan and shall be completed on or prior to the Effective Date. The Debtor, its Estate, the Liquidating Debtor, the Board of Managers, and the Independent Special Committee do not intend to undertake any privilege review of any Data Transfer Documents prior to or in connection with the Data Transfer. For the avoidance of doubt, the Liquidation Trust will make best efforts to seek discovery from third parties first before requesting any discovery from any Released Parties. To the extent that the Liquidation Trust does seek discovery or testimony directly from any Released Party, the Liquidation Trust shall bear the costs of such discovery. For the further avoidance of doubt, no documents shall be redacted for Privilege purposes prior to or in connection with the completion of the Data Transfer.

(v) On the Effective Date, any Privilege of the Debtor, its Estate, the Liquidating Debtor, the Board of Managers, and the Independent Special Committee, including any Privilege relating, in whole or in part, to Insurance Policies, Insurance Rights, CIP Agreements, the liquidation of Talc Claims, and the

Retained Causes of Action, shall be irrevocably transferred to and vested in the Liquidation Trust; *provided*, *however*, that the Liquidation Trust shall not be permitted to (i) waive the attorney-client privilege as to any communications between the Debtor and Latham & Watkins LLP involving any aspect of the Chapter 11 Case without Latham & Watkins LLP's prior written consent, (ii) waive the attorney-client privilege as to any communications between the Independent Special Committee and Katten Muchin Rosenman LLP involving any aspect of the Chapter 11 Case including, for the avoidance of doubt, any communications with respect to the prepetition preparation and filing of the Chapter 11 Case, without Katten Muchin Rosenman LLP's prior written consent, or (iii) waive the attorney-client privilege as to any communications between the Debtor and Bond, Schoeneck & King PLLC involving any aspect of the Chapter 11 Case including, for the avoidance of doubt, any communications with respect to the prepetition preparation and filing of the Chapter 11 Case, without Bond, Schoeneck & King PLLC's prior written consent. Except as provided above, the Liquidation Trust shall have the right to use Privileged Information for any purpose related to its functions and obligations under the Plan and the VLT Documents, including the liquidation of Talc Claims and the prosecution of Retained Causes of Action. Except as expressly stated in Section 5.7 of the Plan, the Liquidation Trust shall have the same rights as the Debtor in Privileged Information, including the right to waive any Privilege to the extent it deems doing so necessary to its functions and obligations under the Plan and the VLT Documents, including the liquidation of Talc Claims and the prosecution of Retained Causes of Action.

(vi) The Liquidation Trust is authorized pursuant to Bankruptcy Rule 2004 and/or other applicable discovery rules to seek discovery necessary to satisfy its obligations under the Plan and the VLT Documents. The Liquidation Trust shall be able to take whatever steps are necessary to enforce such discovery obligations pursuant to Bankruptcy Rule 2004, Rule 45 of the Federal Rules of Civil Procedure, other court resolution processes, under bankruptcy law, and applicable non-bankruptcy law. Nothing herein shall abridge or affect the rights of the Liquidation Trust or the Liquidating Trustee to discovery in any proceeding or litigation brought by the Liquidation Trust or the Liquidating Trustee. As stated above, however, the Liquidation Trust will make best efforts to seek discovery from third parties first before requesting any discovery from Released Parties and, to the extent that the Liquidation Trust does seek discovery or testimony directly from any Released Party, the Liquidation Trust shall bear the costs of such discovery.

(vii) Notwithstanding anything to the contrary herein, no communication or other document produced to the Liquidation Trust as a result of the Data Transfer that is subject to a Privilege shall be shared with or produced to the Creditors' Committee or its advisors for any purpose. Any attorney representing the Creditors' Committee in the Appeals shall not have access to any of the Debtor's communications and an ethics wall satisfactory to the Debtor will be established.

(viii) The parties granted specific waiver consent rights pursuant to Section 5.7(v) of the Plan (each a "**Privilege Consent Right Party**") shall be

entitled to seek and obtain injunctive relief, or other equitable relief, from the Bankruptcy Court to prevent, restrain, or remedy any actual or threatened breach by the Liquidating Trustee of (a) the requirement set forth in Section 5.7(v)(ii) of the Plan that the Liquidating Trustee obtain the prior written consent of the applicable Privilege Consent Right Party before waiving the attorney-client privilege as to any communication produced pursuant to Section 5.7(v) of the Plan, or (b) the prohibition set forth in Section 5.7(vii) of the Plan against sharing with or producing to the Creditors' Committee or its advisors any communication or other document produced to the Liquidation Trust as a result of the Data Transfer that is subject to a Privilege. The Bankruptcy Court shall retain jurisdiction to hear and determine any request for relief brought pursuant to Section 5.7(viii) of the Plan.[18]

(h) Available Cash.

(i) **Effective Date Available Cash**. On the Effective Date, Effective Date Available Cash shall be allocated to: (a) first, (1) the Professional Fee Reserve in an amount necessary to satisfy Professional Fee Claims in accordance with Section 2.4 of the Plan and (2) the Priority Reserve to satisfy estimated Allowed Administrative Expense Claims (excluding Professional Fee Claims), Secured Claims, and Priority Claims; (b) second, the General Convenience Claim Recovery Fund in an amount equal to the General Convenience Claim Recovery Fund Amount; (c) third, the GUC Recovery Fund in an amount equal to the GUC Recovery Fund Amount; and (d) fourth, the VLT Operating Reserve.

(ii) **Post-Effective Date Available Cash**. Post-Effective Date Available Cash shall be allocated to: (a) first, the Priority Reserve to the extent necessary, in the sole discretion of the Liquidating Trustee, to satisfy Allowed (1) Administrative Expense Claims (excluding Professional Fee Claims), (2) Secured Claims, and (3) Priority Claims; (b) second, the VLT Operating Reserve to the extent necessary, in the sole discretion of the Liquidating Trustee, to satisfy estimated VLT Operating Expenses; and (c) third, the TC Recovery Fund; *provided, however,* that Post-Effective Date Available Cash from (i) the London Reimbursement Proceeds and/or (ii) proceeds from the GUC Causes of Action shall be allocated to the GUC Recovery Fund, and shall only be allocated to the Priority Reserve, the VLT Operating Reserve, and the TC Recovery Fund, as applicable, upon the GUC Administration Completion Date to the extent there are funds remaining in the GUC Recovery Fund at such time.

(i) Surplus Reserved Cash.

The Liquidating Trustee shall determine, on each six-month (6-month) anniversary of the Effective Date, whether the amounts available in the Priority Reserve and the VLT Operating Reserve are in excess of the amounts necessary to satisfy the purpose for which each such reserve

[18] For the avoidance of doubt, all parties' rights are reserved, including the Debtor, the Creditors' Committee, and third parties, with respect to data and document transfer issues.

was established, respectively. If the Liquidating Trustee determines in its reasonable discretion that a surplus exists in the Priority Reserve or the VLT Operating Reserve, as of the date of such determination, such surplus Cash shall become Post-Effective Date Available Cash. Following the dissolution of the Priority Reserve, any Cash that was held therein shall be deemed Post-Effective Date Available Cash. Upon the VLT Termination Date, in accordance with the Plan and the Trust Distribution Procedures, any Cash remaining in the VLT Operating Reserve shall be (i) allocated to the TC Recovery Fund and (ii) distributed to holders of Allowed Talc Claims.

(j) Charters; By-Laws.

To the extent necessary or appropriate, the charters, by-laws, and other organizational documents of the Debtor shall be amended, or amended and restated as necessary, in a manner consistent with section 1123(a)(6) of the Bankruptcy Code, if applicable, and the terms of the Plan.

(k) Effectuating Documents; Further Transactions.

(i) On or as soon as practicable after the Effective Date, the Liquidating Trustee shall take such actions as may be or become necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan and the winding up and dissolution of the Liquidating Debtor, including: (a) the Trust Formation Transactions; (b) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, financing, conversion, disposition, transfer, dissolution, transition services, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may determine; (c) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any Asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms to which the applicable parties agree; (d) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable state law; (e) the issuance of securities, all of which shall be authorized and approved in all respects, in each case, without further action being required under applicable law, regulation, order, or rule; (f) the execution, delivery, or filing of contracts, instruments, releases, and other agreements to effectuate and implement the Plan without the need for any approvals, authorizations, actions, or consents; (g) such other transactions to implement the Plan and the winding up and dissolution of the Liquidating Debtor in a tax efficient manner for the Debtor and the Liquidation Trust, as determined by the Liquidating Trustee in its reasonable discretion given the totality of the circumstances; and (h) all other actions that the applicable Entities determine to be necessary or appropriate.

(ii) Each officer, manager, or member of the Board of Managers of the Debtor is (and each officer, manager, or member of the board of managers of the Liquidation Trust, if applicable, shall be) authorized and directed to issue, execute, deliver, file, or record such contracts, securities, instruments, releases, indentures, and other agreements or documents and take such actions as may be necessary or

appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the securities issued pursuant to the Plan in the name of, and on behalf of, the Liquidation Trust, all of which shall be authorized and approved in all respects, in each case, without the need for any approvals, authorization, consents, or any further action required under applicable law, regulation, order, or rule (including any action by the stockholders or directors or managers of the Debtor, or the Liquidation Trust) except for those expressly required pursuant to the Plan.

(iii) All matters provided for in the Plan involving the corporate structure of the Debtor or the Liquidation Trust, to the extent applicable, or any corporate or related action required by the Debtor or the Liquidation Trust in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the stockholders, members, or directors or managers of the Debtor and with like effect as though such action had been taken unanimously by the stockholders, members, directors, managers, or officers, as applicable, of the Debtor or the Liquidation Trust. For the avoidance of doubt, after the Effective Date, the Liquidation Trust shall be responsible for terminating and winding down any remaining retirement benefit plans.

(l) Reports

Until a final decree closing the Chapter 11 Case is entered, the Debtor, the Liquidating Debtor, or the Liquidating Trustee, as applicable, shall file all post-confirmation quarterly reports as required by the United States Trustee Operating Guidelines (with a copy served on the Office of the United States Trustee). The first report shall be filed within thirty (30) days after the end of the quarter in which the Effective Date occurs.

(m) Closing of Chapter 11 Case.

After the Debtor's or Liquidating Debtor's Estate has been fully administered, the Liquidating Trustee shall seek authority from the Bankruptcy Court to close the Chapter 11 Case in accordance with the Bankruptcy Code and Bankruptcy Rules.

6.5 Distributions

(a) Distributions Generally.

The Disbursing Agent shall make all Distributions to the appropriate holders of Allowed Claims and in accordance with the terms of the Plan. Except as otherwise provided in the Plan, Distributions under the Plan shall be made only to the holders of Allowed Claims.

(b) Distributions on Effective Date or as Soon as Reasonably Practicable Thereafter.

The Disbursing Agent shall make Distributions, as applicable, on the Effective Date, or as soon as reasonably practicable thereafter, of Cash:

(i) in the Professional Fee Reserve to holders of Allowed Professional Fee Claims in accordance with Section 2.4 of the Plan;

(ii) in the Priority Reserve to holders of (a) Allowed Administrative Expense Claims (excluding Professional Fee Claims), (b) Allowed Secured Claims, and (c) Allowed Priority Claims, as applicable, to the extent Allowed as of the Effective Date; and

(iii) in the General Convenience Claim Recovery Fund to holders of Allowed General Convenience Claims in accordance with Sections 4.4 and 5.8(i) of the Plan.

(c) Periodic Distributions from Priority Reserve, General Convenience Claim Recovery Fund, GUC Recovery Fund, and TC Recovery Fund.

The Disbursing Agent shall make Distributions, as applicable, in the frequency determined in the Liquidating Trustee's discretion pursuant to the Plan and the Trust Distribution Procedures, as applicable, of Cash:

(i) in the Priority Reserve to holders of (a) Allowed Administrative Expense Claims (excluding Professional Fee Claims), (b) Allowed Secured Claims, and (c) Allowed Priority Claims, as applicable, to the extent Allowed after the Effective Date;

(ii) in the General Convenience Claim Recovery Fund to holders of Allowed General Convenience Claims in accordance with Section 4.4 of the Plan;

(iii) in the GUC Recovery Fund to holders of Allowed General Unsecured Claims in accordance with Section 4.3 of the Plan; and

(iv) in the TC Recovery Fund to holders of Allowed Talc Claims in accordance with Section 4.5 of the Plan and the Trust Distribution Procedures.

(d) Date of Distributions.

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 the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

(e) Disbursing Agent.

All Distributions under the Plan by the Liquidation Trust shall be made by the Disbursing Agent on and after the Effective Date as provided herein. The Disbursing Agent shall be deemed to hold all property to be distributed under the Plan in trust for the Persons entitled to receive the same. The Disbursing Agent shall not hold an economic or beneficial interest in the property to be distributed under the Plan. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties.

(f) Rights and Powers of Disbursing Agent.

The Disbursing Agent shall be empowered to (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan, (ii) make all Distributions contemplated by the Plan, (iii) employ professionals to represent it with respect to its responsibilities, and (iv) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions of the Plan.

The Disbursing Agent shall only be required to act and make Distributions in accordance with the terms of the Plan and the applicable VLT Documents and shall have no liability for actions taken in accordance with the Plan and the applicable VLT Documents or in reliance upon information provided to it in accordance with the Plan or obligation or liability for Distributions under the Plan to any party that does not hold an Allowed Claim at the time of Distribution or that does not otherwise comply with the terms of the Plan; *provided, however*, that the foregoing shall not affect the liability that otherwise would result from any such act or omission to the extent such act or omission is determined by a Final Order to have constituted gross negligence, willful misconduct, or fraud of any such Person.

(g) Expenses of Disbursing Agent.

Except as otherwise ordered by the Bankruptcy Court, any reasonable fees and expenses incurred by the Disbursing Agent acting in such capacity on or after the Effective Date shall be paid in Cash by the Liquidation Trust from the VLT Operating Reserve.

(h) Delivery of Distributions in General.

Subject to Bankruptcy Rule 9010, all Distributions to any holder of an Allowed Claim shall be made at the address of such holder (i) as set forth on the Schedules filed with the Bankruptcy Court or (ii) on the books and records of the Debtor or its agents, as applicable, unless the Debtor (prior to the Effective Date) or the Liquidating Trustee (on or after the Effective Date) has been notified in writing of a change of address, including the filing of a proof of Claim by such holder that contains an address for such holder that is different than the address of such holder as set forth in the Schedules.

(i) Undeliverable and Unclaimed Distributions.

In the event that any Distribution to any holder of an Allowed Claim is returned as undeliverable, no Distribution to such holder shall be made unless and until the Disbursing Agent has been notified of the then-current address of such holder, at which time or as soon as reasonably practicable thereafter such Distribution shall be made to such holder without interest; *provided, however*, that all Distributions under the Plan that are unclaimed for a period of ninety (90) calendar days after the Distribution thereof shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and revest in the Liquidation Trust, and any entitlement of any holder of any Claims to such Distributions shall be extinguished and forever barred.

(j) Time Bar to Cash Payments.

Checks issued by the Disbursing Agent in respect of Allowed Claims shall be null and void if not negotiated within one hundred and twenty (120) calendar days after the date of issuance thereof. Thereafter, the amount represented by such voided check shall irrevocably revert to the Liquidation Trust, and any Claim in respect of such voided check shall be forever barred, notwithstanding any federal or state escheat laws to the contrary. Requests for re-issuance of any check shall be made to the Disbursing Agent by the holder of the Allowed Claim to whom such check was originally issued.

(k) Distribution Record Date.

Subject to the terms of the Trust Distribution Procedures with respect to Talc Claims, as of the close of business on the Distribution Record Date, the Claims Register shall be closed. The Liquidating Trustee shall have no obligation to recognize any transfer of any such Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal, for all purposes under the Plan, with only those holders of record as of the close of business on the Distribution Record Date.

(l) Manner of Payment Under Plan.

At the option of the Disbursing Agent, any Cash payment to be made pursuant to the Plan may be made by a check or wire transfer or as otherwise required or provided in the VLT Documents or customary practices of the Debtor.

(m) Minimum Cash Distributions.

The Disbursing Agent shall not be required to make any Distributions of Cash less than $100, or such lower amount as determined by the Disbursing Agent in accordance with the VLT Documents, to any holder of an Allowed Claim; *provided*, *however*, that if any Distribution is not made pursuant to Section 6.13 of the Plan, such Distribution shall be added to any subsequent Distribution to be made on behalf of the holder's Allowed Claims. The Disbursing Agent shall not be required to make any final Distribution of Cash less than $25 to any holder of an Allowed Claim. If the amount of any final Distribution to any holder of Allowed Claims would be $25 or less, then such Distribution shall be made available for Distribution to all holders of Allowed Claims receiving final Distributions of at least $25.

(n) Setoffs and Recoupment.

Subject to Section 2.2 and Sections 10.4 through 10.8 of the Plan, the Liquidating Trustee may, but shall not be required to, setoff against, or recoup from, any Claim and from any payments to be made pursuant to the Plan with respect to such Claim or any claims of any nature whatsoever (to the extent permitted by applicable law) that the Debtor or the Liquidating Debtor may have against the claimant, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtor, the Liquidating Debtor, or the Liquidating Trustee of any such Claim the Debtor, the Liquidating Debtor, or the Liquidating Trustee may have against such claimant.

(o) Distributions After Effective Date.

Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date, but which later become Allowed Claims, shall be deemed to have been made on the Effective Date.

(p) Interest and Penalties on Claims.

Unless otherwise provided for in the Plan, the Confirmation Order, or required by applicable bankruptcy law, no holder of a Claim shall be entitled to interest accruing on or after the Petition Date or penalties on any Claim. Any such interest or penalty component of any such Claims, if Allowed, shall be paid only in accordance with section 726(b) of the Bankruptcy Code.

(q) Allocation of Distributions Between Principal and Interest.

Except as otherwise required by law (as reasonably determined by the Liquidating Trustee), Distributions with respect to any Allowed Claims shall be allocated first to the principal amount of such Allowed Claims (as determined for United States federal income tax purposes) and, thereafter, to the remaining portion of such Allowed Claims, if any.

(r) No Distribution in Excess of Amount of Allowed Claim.

Notwithstanding anything to the contrary in the Plan, no holder of an Allowed Claim shall receive, on account of such Allowed Claim, Distributions in excess of the Allowed amount of such Claim when combined with amounts received by such holders from other sources.

(s) Satisfaction of Claims.

Unless otherwise provided herein, the Distributions and deliveries to be made on account of Allowed Claims under the Plan shall, in the aggregate, be in complete and final satisfaction, settlement, and release of, and exchange for, such Allowed Claims.

(t) Withholding and Reporting Requirements.

(i) **Withholding Rights**. In connection with the Plan, and all instruments or Interests issued in connection therewith and in consideration thereof, any party issuing any instrument or making any distribution described in the Plan shall comply with all applicable withholding and reporting requirements imposed by any federal, state, or local taxing authority, and all distributions pursuant to the Plan and all related agreements shall be subject to any such withholding or reporting requirements. In the case of a non-Cash distribution that is subject to withholding, the distributing party may withhold an appropriate portion of such distributed property and either (a) sell such withheld property to generate Cash necessary to pay over the withholding tax (or reimburse the distributing party for any advance payment of the withholding tax) or (b) pay the withholding tax using its own funds and retain such withheld property. Any amounts withheld pursuant to the preceding sentence shall be deemed to have been distributed to, and received by, the applicable recipient for all purposes of the Plan. Notwithstanding the foregoing,

each holder of an Allowed Claim or any other Person that receives a distribution pursuant to the Plan shall have responsibility for any taxes imposed by any Governmental Unit, including income, withholding, and other taxes, on account of such distribution. In the event that any party issues any instrument or makes any non-Cash distribution pursuant to the Plan that is subject to withholding tax and such issuing or distributing party has not sold such withheld property to generate Cash to pay the withholding tax, or paid the withholding tax using its own funds and retains such withheld property as described above, such issuing or distributing party has the right, but not the obligation, to not make a distribution until such holder has made arrangements reasonably satisfactory to such issuing or disbursing party for payment of any such tax obligations.

(ii) **Forms**. Any party entitled to receive any property as an issuance or Distribution under the Plan shall, upon request, deliver to the Disbursing Agent or such other Person designated by the Liquidating Debtor or the Liquidating Trustee (which Person shall subsequently deliver to the Disbursing Agent or such other Person any applicable IRS Form W-8 or Form W-9 received) an appropriate IRS Form W-9 or Form W-8, as applicable, and any other forms or documents reasonably requested by the Liquidating Debtor or the Liquidating Trustee to reduce or eliminate any withholding required by any federal, state, or local taxing authority. If any such request is made by the Liquidating Debtor or the Liquidating Trustee, the Disbursing Agent, or such other Person designated by the Liquidating Debtor, the Liquidating Trustee, and the holder fails to comply before the date that is sixty (60) calendar days after the request is made, the amount of such Distribution shall irrevocably revert to the Liquidation Trust and any Claim with respect to such Distribution shall be forever barred from assertion against the Liquidation Trust or its property.

(iii) **Obligation**. Notwithstanding the above, each holder of an Allowed Claim that is to receive a Distribution under the Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed on such holder by any Governmental Unit, including income, withholding, and other tax obligations, on account of such Distribution.

6.6 Procedures for Disputed Claims

(a) Disputed Claims.

All Disputed Claims against the Debtor, other than Talc Claims and Administrative Expense Claims, shall be subject to the provisions of Article VII of the Plan. All Talc Claims shall be resolved by the Liquidation Trust in accordance with the Trust Distribution Procedures without further approval of the Bankruptcy Court. All Administrative Expense Claims shall be determined pursuant to, and, if Allowed, paid in accordance with, Article II of the Plan.

(b) Claim Objections.

Subject to Section 5.5 of the Plan, on or after the Effective Date, except as otherwise provided herein, objections to Claims against the Debtor may be interposed and prosecuted only by the Liquidating Trustee. Any objections to Claims shall be served on the respective Claim holder and filed with the Bankruptcy Court (i) on or before one-hundred eighty (180) calendar days following the later of (a) the Effective Date and (b) the date that a proof of Claim is filed or amended or a Claim is otherwise asserted or amended in writing by or on behalf of a holder of such Claim or (ii) on such later date as may be fixed by the Bankruptcy Court; *provided*, *however*, and notwithstanding anything in the Plan or in the Confirmation Order to the contrary, objections to any Talc Claims shall be interposed, prosecuted, or otherwise administered solely pursuant to, and in accordance with, the Trust Distribution Procedures.

(c) No Distribution Pending Allowance.

Notwithstanding any other provision in the Plan, if any portion of a Claim is Disputed, no payment or Distribution provided under the Plan shall be made on account of such Claim unless and until such Disputed Claim becomes an Allowed Claim.

(d) Estimation of Claims.

The Liquidating Trustee may, at any time, request that the Bankruptcy Court estimate, pursuant to section 502(c) of the Bankruptcy Code, any Disputed Claim that the Bankruptcy Court has jurisdiction to estimate in accordance with the Bankruptcy Code or other applicable law regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates a Disputed Claim, that estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Liquidating Trustee may elect to pursue any supplemental proceeding to object to any ultimate Distribution on account of such Claim.

(e) Distribution After Allowance.

After such time as a Disputed Claim becomes, in whole or in part, an Allowed Claim, the holder thereof shall be entitled to Distributions, if any, to which such holder is then entitled as provided in the Plan on account of such Allowed Claim, without interest, as provided in Section 7.8 of the Plan. Such Distributions shall be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim (or portion thereof) becomes a Final Order.

(f) Resolution of Claims.

Except as expressly provided herein or in any order entered in the Chapter 11 Case before the Effective Date, including the Confirmation Order, the Liquidation Trust and the Liquidating Trustee (on or after the Effective Date) shall have and retain any and all rights and defenses held

by the Debtor with respect to any Claim as of the Petition Date. On and after the date upon which the Liquidation Trust is established, in accordance with the Plan and the applicable VLT Documents, the Liquidating Trustee shall have the authority to compromise, settle, otherwise resolve, or withdraw any objections to Claims against the Debtor and the Liquidating Debtor and to compromise, settle, or otherwise resolve any Disputed Claims without approval of the Bankruptcy Court. If the Liquidating Trustee and a holder of a Disputed Claim are unable to reach a settlement on the Disputed Claim, such Disputed Claim shall be submitted to the Bankruptcy Court for resolution.

(g) Claims Resolution Procedures Cumulative.

All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are intended to be cumulative and not exclusive of one another. Claims may be established and subsequently settled, compromised, withdrawn, or resolved in accordance with the Plan by any mechanism approved by the Bankruptcy Court.

(h) Interest.

To the extent that a Disputed Claim becomes an Allowed Claim after the Effective Date, the holder of such Claim shall not be entitled to any interest that accrued thereon from and after the Effective Date, except as provided in Section 6.17 of the Plan.

6.7 Executory Contracts and Unexpired Leases

(a) Assumption and Rejection of Executory Contracts and Unexpired Leases.

(i) As of and subject to the occurrence of the Effective Date, except as otherwise provided in the Plan, each executory contract and unexpired lease of the Debtor not previously assumed, rejected, or assumed and assigned by the Debtor during the Chapter 11 Case or in connection with the Sale Order, shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code, unless such executory contract or unexpired lease (a) is listed on the Schedule of Assumed and Assigned Contracts or (b) as of the Effective Date, is subject to a pending motion to assume, reject, or assume and assign such executory contract or unexpired lease.

(ii) Subject to the occurrence of the Effective Date, the payment of any applicable Cure Amount, and the resolution of any Cure Dispute, the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the rejections, assumptions, and assumptions and assignments provided for in the Plan pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise indicated or provided in a separate order of the Bankruptcy Court or the Plan Supplement, rejections, assumptions, or assumptions and assignments of executory contracts and unexpired leases pursuant to the Plan are effective as of the Effective Date. Unless otherwise indicated or provided in a separate order of the Bankruptcy Court or the Plan Supplement, each executory contract and unexpired lease assumed pursuant to the Plan or by order of the Bankruptcy Court shall be assigned to the Liquidation Trust on the date such trust is established or as soon as reasonably

practicable thereafter, and shall vest in, and be fully enforceable by, the Liquidation Trust in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

(iii) Unless otherwise provided herein or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed or assumed and assigned shall include any and all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease, without regard to whether such agreement, instrument, or other document is listed in the Schedule of Assumed and Assigned Contracts.

(b) Determination of Cure Disputes and Deemed Consent.

(i) The Debtor shall serve on all required parties, at least fourteen (14) calendar days before the deadline set to file objections to Confirmation of the Plan, notices of assumption and assignment of the Assumed and Assigned Contracts, which shall set forth the associated Cure Claim for such contract proposed by the Debtor. The Debtor shall file the Schedule of Assumed and Assigned Contracts with the Plan Supplement.

(ii) Any counterparty to an executory contract or unexpired lease shall, within fourteen (14) calendar days of the service of notices of assumption and assignment of the Assumed and Assigned Contracts, or such shorter period as agreed to by the parties or authorized by the Bankruptcy Court, file, serve, and actually deliver objections to the Cure Claims listed on the notice and to adequate assurance of future performance by the Liquidation Trust.

(iii) To the extent a Cure Dispute is timely asserted in an objection filed in accordance with Section 8.2(ii) of the Plan and not resolved, such Cure Dispute shall be scheduled for a hearing before the Bankruptcy Court. Following resolution of a Cure Dispute, the applicable contract or lease shall be deemed assumed effective as of the Effective Date; *provided, however*, that if any Claim subject to a Cure Dispute is Allowed in an amount greater than the Cure Amount for such Claim listed on the Schedule of Assumed and Assigned Contracts, the Debtor, the Liquidating Debtor, or the Liquidating Trustee, as applicable, reserves the right to reject such executory contract or unexpired lease for a period of seven (7) Business Days following entry of a Final Order of the Bankruptcy Court resolving the applicable Cure Dispute by filing a notice indicating such rejection with the Bankruptcy Court.

(iv) To the extent any Cure Dispute with respect to an Assumed and Assigned Contract has not been resolved prior to the Effective Date, the Debtor may assume and/or assume and assign the applicable executory contract or unexpired lease prior to the resolution of such Cure Dispute; *provided, however,* that the Debtor, the Liquidating Debtor, or the Liquidation Trust, as applicable,

reserves Cash in an amount sufficient to pay the full amount reasonably asserted as the required cure payment by the counterparty to such executory contract or unexpired lease (or such smaller amount as may be fixed or estimated by the Bankruptcy Court or otherwise agreed to by such counterparty and the Debtor, the Liquidating Debtor, or the Liquidation Trust, as applicable).

(v) To the extent an objection is not timely filed and properly served on the Debtor with respect to a Cure Dispute, then the counterparty to the applicable contract or lease shall be deemed to have assented to (a) the Cure Amount proposed by the Debtor and (b) the assumption of such contract or lease, notwithstanding any provision thereof that (1) prohibits, restricts, or conditions the transfer or assignment of such contract or lease or (2) terminates or permits the termination of a contract or lease as a result of any direct or indirect transfer or assignment of the rights of the Debtor under such contract or lease or a change in the ownership or control as contemplated by the Plan, and shall forever be barred and enjoined from asserting such objection against the Debtor or terminating or modifying such contract or lease on account of transactions contemplated by the Plan.

(vi) With respect to payment of any Cure Amounts or Cure Disputes, neither the Debtor, the Liquidation Trust, nor the Disbursing Agent shall have any obligation to recognize or deal with any party other than the non-Debtor party to the applicable executory contract or unexpired lease, even if such non-Debtor party has sold, assigned, or otherwise transferred its Cure Claim.

(c) Payments Related to Assumption of Contracts and Leases.

(i) Subject to resolution of any Cure Dispute, any monetary amounts by which any Assumed and Assigned Contract is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by the Debtor or the Liquidation Trust, as the case may be, upon assumption thereof.

(ii) Assumption and assignment of any Assumed and Assigned Contract pursuant to the Plan, or otherwise, shall result in the full release and satisfaction of any Claims or defaults, subject to satisfaction of the Cure Amount, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed executory contract or unexpired lease at any time before the effective date of assumption and/or assignment. Any proofs of Claim filed with respect to an executory contract or unexpired lease that has been assumed shall be deemed Disallowed and expunged, without further notice, or action, order or approval of the Bankruptcy Court or any other Person.

(d) Rejection Damage Claims.

In the event that the rejection of an executory contract or unexpired lease by the Debtor in connection with the Plan results in damages to the other party or parties to such contract or lease, any Claim for such damages, if not heretofore evidenced by a timely filed proof of Claim, shall be

forever barred and shall not be enforceable against the Debtor or its Estate, properties or interests in property, unless a proof of Claim is filed with the Bankruptcy Court and served upon the Debtor no later than thirty (30) calendar days after the later of (i) the Effective Date and (ii) the effective date of the rejection of such executory contract or unexpired lease. Any such Claims, to the extent Allowed, shall be classified as General Unsecured Claims or General Convenience Claims, as applicable. The Confirmation Order shall constitute the Bankruptcy Court's approval of the rejection of all the leases and contracts that are rejected as of the Effective Date.

(e) Compensation and Benefit Plans.

(i) Except with respect to any benefit plans, policies, or programs (i) assumed by the Debtor and assigned to the Buyer pursuant to the Sale Order and the Asset Purchase Agreement, (ii) for which the Debtor has received approval of the Bankruptcy Court to reject or terminate on or before the Effective Date, or (iii) that are subject to a pending motion to reject or terminate as of the Effective Date, all employment and severance policies, and all compensation and benefit plans, policies, and programs of the Debtor applicable to its employees, and non-employee managers or directors, including all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive and bonus plans, and life and accidental death and dismemberment insurance plans, are deemed to be, and shall be treated as, executory contracts under the Plan and, on the Effective Date, shall be rejected by the Debtor pursuant to sections 365 and 1123 of the Bankruptcy Code.

(ii) Any (a) employment and severance policies, (b) compensation and benefit plans, policies, and programs, or (c) life and accidental death and dismemberment insurance plans relating or provided to a former employee of the Debtor who is retired as of the Effective Date shall be rejected with respect to such former employee except to the extent prohibited by section 1114 of the Bankruptcy Code.

(f) Insurance Policies.

Notwithstanding Section 8.1 of the Plan, all Insurance Policies and CIP Agreements entered into prior to the Petition Date shall be considered non-executory contracts and shall neither be assumed nor rejected by the Debtor. Other than the permissibility of the Insurance Rights Transfer, which is to be determined by or in connection with Confirmation of the Plan, the rights and obligations of the parties under the Insurance Policies and CIP Agreements, including the question of whether any breach has occurred, shall be determined under applicable law.

(g) Reservation of Rights.

(i) Neither the exclusion nor the inclusion by the Debtor of any contract or lease on any exhibit, schedule, or other annex to the Plan or in the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by the Debtor that any such contract or lease is or is not an executory contract or unexpired lease or that the Debtor has any liability thereunder.

(ii) Except as explicitly provided in the Plan, nothing herein shall waive, excuse, limit, diminish, or otherwise alter any of the defenses, claims, Causes of Action, or other rights of the Debtor under any executory or non-executory contract or unexpired lease.

(iii) Nothing in the Plan shall increase, augment, or add to any of the duties, obligations, responsibilities, or liabilities of the Debtor under any executory or non-executory contract or unexpired or expired lease, including the Insurance Policies.

(iv) If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of its assumption under the Plan, the Debtor shall have thirty (30) calendar days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease.

6.8 Conditions Precedent to Confirmation of the Plan and Occurrence of the Effective Date

(a) Conditions Precedent to Effective Date

The Effective Date shall not occur unless all of the following conditions precedent have been satisfied:

(i) entry of the Confirmation Order by the Bankruptcy Court and such Confirmation Order has not been stayed, modified, or vacated on appeal;

(ii) any investigation being conducted by the Independent Special Committee shall have been completed, or otherwise resolved to the satisfaction of the Independent Manager;

(iii) all conditions precedent to the consummation of the Trust Formation Transactions (other than effectiveness of the Plan) have been satisfied or waived by the party or parties entitled to waive them in accordance with the terms of the Trust Agreement;

(iv) the Trust Agreement shall become effective in accordance with the terms of the Plan;

(v) the Professional Fee Reserve and the Priority Reserve shall be fully funded;

(vi) the General Convenience Claim Recovery Fund shall be funded in the General Convenience Claim Recovery Fund Amount;

(vii) the GUC Recovery Fund shall be funded in the GUC Recovery Fund Amount;

(viii) [reserved];

(ix) the VLT Operating Reserve shall be funded in the VLT Operating Reserve Amount, which amount shall not be less than $11,000,000;

(x) the Debtor shall have obtained all authorizations, consents, regulatory approvals, or rulings from applicable Governmental Units that are necessary to implement and effectuate the Plan;

(xi) all actions, documents, and agreements necessary to implement and effectuate the Plan shall have been effected or executed;

(xii) the Bankruptcy Court shall have authorized the Insurance Rights Transfer as provided in the Plan, notwithstanding any terms or any policies or provisions of non-bankruptcy law that prohibit the delegation, assignment, or other transfer of the Insurance Rights, and the Bankruptcy Court shall have determined that the Liquidation Trust is a proper defendant for all applicable Claims against the Debtor to assert liability of the Debtor or the Liquidating Debtor, as applicable;

(xiii) all professional fees and expenses approved by the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such fees and expenses after the Effective Date shall have been placed in the Professional Fee Reserve, pending approval by the Bankruptcy Court.

(xiv) the Bankruptcy Court shall have made the following findings in the Confirmation Order:

1. Solely as between the holders of any Talc Claims and the Liquidation Trust, the Allowed amount of any Talc Claim shall be legally enforceable against the Liquidation Trust in accordance with the Plan, Trust Distribution Procedures, and the other VLT Documents. For the avoidance of doubt, the amount of any installment payments, initial payments, or payments based on payment percentages established under the Trust Distribution Procedures, as determined or as actually paid by the Liquidation Trust, are not the equivalent of any claimant's Allowed amount of their Talc Claim. For the further avoidance of doubt, nothing in the Plan determines whether any Insurance Company is obligated to provide coverage for, or pay the amount determined under the Trust Distribution Procedures, for an Allowed Talc Claim or any other amount;

2. The terms of the Insurance Entity Injunction, including any provisions barring actions against third parties, are set out in conspicuous language in the Plan and in the Disclosure Statement;

3. The injunctions set forth in the Plan, including the Plan Injunction and Insurance Entity Injunction, are essential to the Plan, appropriately tailored to implement the applicable

provisions of the Plan, and consistent with all applicable provisions of the Bankruptcy Code;

4. The Plan's transfer of rights under the Insurance Policies and the CIP Agreements is authorized and permissible notwithstanding any terms of any policies or provisions of applicable law that are argued to prohibit the assignment or transfer of such rights, and from and after the Insurance Rights Transfer, no Insurance Company may assert under any Insurance Policy, Insurance Settlement Agreement, or CIP Agreement (i) any defense that any Plan Document does not comply with the Bankruptcy Code or (ii) any defense that the Insurance Rights Transfer is prohibited by any Insurance Policy, Insurance Settlement Agreement, or CIP Agreement, or by applicable non-bankruptcy law; *provided* that the Insurance Rights that are assigned to the Liquidating Trustee include and remain subject to the terms and conditions of the applicable Insurance Policies, including any Insurer Coverage Defenses available under applicable law;

5. The Liquidation Trust's rights under any Insurance Policies issued by Non-Settling Insurance Companies, including the effect of any failure to satisfy conditions precedent or obligations under such policies (other than, in the case of the Insurance Policies or CIP Agreements, the terms of any policies or provisions of applicable law that are argued to prohibit the assignment or transfer of such rights), shall be determined in accordance with the Insurance Policies, CIP Agreements, and applicable law, in subsequent litigation;

6. The proceeds of any sale of any Insurance Policies, as applicable, including the full settlement amount, shall be contributed to the Liquidation Trust "free and clear" of all Liens, claims, encumbrances, any other rights of any nature, whether at law or in equity, and other "interest," under sections 363 and 1141 of the Bankruptcy Code, of any additional insured or any other person or Entity in such Insurance Policies. Notwithstanding anything to the contrary and for the avoidance of doubt, any Insurance Policies sold by the Debtor to the applicable Settling Insurance Companies shall be sold free and clear of all Liens, claims, encumbrances, interests, or other

rights on the Effective Date on the terms and as provided in any applicable Insurance Settlement Agreement; and

7. The Plan, the Plan Documents, and the Confirmation Order are binding on all parties-in-interest to the fullest extent permitted under applicable law.

(ii) The Data Transfer shall be completed.

(b) Waiver of Conditions Precedent.

(i) Each of the conditions precedent to Confirmation of the Plan and the occurrence of the Effective Date may be waived in writing by the Debtor with the consent of the Creditors' Committee, without leave of or order of the Bankruptcy Court. If any such condition precedent is waived pursuant to Section 9.2 of the Plan and the Effective Date occurs, each party agreeing to waive such condition precedent shall be estopped from withdrawing such waiver after the Effective Date or otherwise challenging the occurrence of the Effective Date on the basis that such condition was not satisfied.

(ii) The stay of the Confirmation Order pursuant to Bankruptcy Rule 3020(e) shall be deemed waived by and upon entry of the Confirmation Order, and the Confirmation Order shall take effect immediately upon its entry.

6.9 Effect of Confirmation

(a) Binding Effect.

Confirmation of the Plan does not provide the Debtor with a discharge under section 1141 of the Bankruptcy Code because the Plan is a liquidating chapter 11 plan. Except as otherwise provided in section 1141(d)(3) of the Bankruptcy Code, and subject to the occurrence of the Effective Date, on and after the entry of the Confirmation Order, the provisions of the Plan shall bind all parties in interest, including every holder of a Claim against or Interest in the Debtor and inure to the benefit of, and be binding on, such holder's respective successors and assigns, regardless of whether the Claim or Interest of such holder is Impaired under the Plan and whether such holder has accepted the Plan.

(b) Pre-Confirmation Injunctions and Stays.

Unless otherwise provided in the Plan, all injunctions and stays arising under or entered during the Chapter 11 Case, whether under sections 105 or 362 of the Bankruptcy Code or otherwise, and in existence on the date of entry of the Confirmation Order, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

(c) Injunction Against Interference with Plan.

Upon entry of the Confirmation Order, all holders of Claims against the Debtor and Interests in the Debtor, and all other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and Affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan in relation to any Claim or Interest extinguished, released, or treated pursuant to the Plan.

(d) Plan Injunction.

Except as otherwise provided in the Plan (including, without limitation, Section 5.5 of the Plan) or in the Confirmation Order, as of the entry of the Confirmation Order but subject to the occurrence of the Effective Date, to the maximum extent permitted under applicable law, all holders of Claims or Interests (whether proof of such Claims or Interests has been filed or not and whether or not such holders vote in favor of, against or abstain from voting on the Plan or are presumed to have accepted or deemed to have rejected the Plan) and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and Affiliates, in their capacities as such, are (subject to the provisions of this Section) forever barred, estopped, and permanently enjoined after the entry of the Confirmation Order from, in relation to any Claim, Interest, or Cause of Action that will be or is treated, extinguished, exculpated, or released by the Plan or otherwise will be or is subject to the Plan: (a) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting, directly or indirectly, the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, or the Liquidating Trustee, as applicable, or the property of any of the foregoing, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing parties mentioned in this subsection (a) or any property of any such transferee or successor; (b) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree, or order against the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, or the Liquidating Trustee, as applicable, or the property of the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, or the Liquidating Trustee, as applicable, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing parties mentioned in this subsection (b) or any property of any such transferee or successor; (c) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against any of the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, the Liquidating Trustee, as applicable, or the property of the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, the Liquidating Trustee, as applicable, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons mentioned in this subsection (c) or any property of any such transferee or successor; (d) asserting any right of setoff, directly or indirectly, against any obligation due from the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, or the Liquidating Trustee, as applicable, or against the property or interests in property of the Debtor, the Liquidating Debtor, the Estate, the Liquidation Trust, or the Liquidating Trustee, as applicable, except (1) as contemplated or Allowed by the Plan or (2) to the extent asserted in a timely filed proof of Claim or timely filed objection to the Confirmation of the Plan; and (e) acting or proceeding in any manner, in any place whatsoever, that does not conform to, does not comply with, or is inconsistent with the provisions

of the Plan; *provided, however*, that nothing contained herein shall preclude such parties who have held, hold, or may hold Claims against or Interests in the Debtor or the Estate from exercising their rights, or obtaining benefits, pursuant to, and consistent with, the terms of the Plan and the Plan Documents.

All Persons and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and Affiliates, in their capacities as such, holding Claims, Liens, Interests, charges, encumbrances, or other interests of any kind or nature whatsoever, including rights or Claims based on any successor or transferee liability, against the Debtor, the Liquidating Debtor, the Liquidation Trust, or the Assets transferred thereto (whether legal or equitable, secured or unsecured, matured or unmatured, contingent, or noncontingent, known or unknown), arising under or out of, in connection with, or in any way relating to the Debtor, the Liquidating Debtor, the Estate's Assets, the operation of the Estate's Assets prior to the Effective Date, or the Trust Formation Transactions, shall be forever barred, estopped, and permanently enjoined from taking any actions to interfere with the implementation or consummation of the Plan in relation to any Claim extinguished or released pursuant to the Plan.

(e) Insurance Entity Injunction.

(i) Purpose. To facilitate the Insurance Rights Transfer, protect the Liquidation Trust, and preserve its Insurance Rights, pursuant to the equitable jurisdiction and power of the Bankruptcy Court, the Bankruptcy Court shall issue the injunction set forth in Section 10.5 of the Plan; *provided*, *however*, that the Insurance Entity Injunction is not issued for the benefit of any Insurance Company, and no Insurance Company is a third-party beneficiary of the Insurance Entity Injunction, except as otherwise specifically provided in any CIP Agreement or Insurance Settlement Agreement.

(ii) Terms Regarding Claims Against Insurance Companies. All Persons that have held or asserted, that hold or assert, or that may in the future hold or assert any Claim, demand, or Cause of Action against any Insurance Company based upon, attributable to, arising out of, or in any way connected with or on account of any Insurance Policy, whether in the United States of America or anywhere else in the world, whether sounding in tort, contract, warranty, or any other theory of law, equity, or admiralty, shall be stayed, restrained, and enjoined from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payment, satisfaction, or recovery with respect to any such Claim, demand, or Cause of Action including:

1. commencing, conducting, or continuing, in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum with respect to any such Claim, demand, or Cause of Action against any Insurance Company, or

against the property of any Insurance Company, with respect to any such Claim, demand, or Cause of Action;

2. enforcing, levying, attaching, collecting, or otherwise recovering, by any means or in any manner, whether directly or indirectly, any judgment, award, decree, or other order against any Insurance Company, or against the property of any Insurance Company, with respect to any such Claim, demand, or Cause of Action;

3. creating, perfecting, or enforcing in any manner, directly or indirectly, any encumbrance against any Insurance Company, or the property of any Insurance Company, with respect to any such Claim, demand, or Cause of Action; and

4. except as otherwise specifically provided in the Plan, asserting or accomplishing any setoff, right of subrogation, indemnity, contribution, or recoupment of any kind, directly or indirectly, against any obligation of any Insurance Company, or against the property of any Insurance Company, with respect to any such Claim, demand, or Cause of Action; *provided*, *however*, that (x) the injunction set forth in Section 10.5(ii) of the Plan shall not impair in any way any actions brought by the Liquidation Trust against any Non-Settling Insurance Company and (y) the Liquidation Trust shall have the sole and exclusive authority at any time to terminate, reduce, or limit the scope of the injunction set forth in Section 10.5 of the Plan with respect to any Non-Settling Insurance Company upon express written notice to such Non-Settling Insurance Company.

(f) Reservations. Notwithstanding anything to the contrary above, this Insurance Entity Injunction shall not enjoin:

1. the rights of any Person to the treatment or other rights accorded them under the Plan, as applicable, including the rights of holders of Talc Claims to assert such Claims, as applicable, in accordance with the Trust Distribution Procedures;

2. the rights of any Person to assert any Claim, debt, obligation, Cause of Action, or liability for payment of VLT Operating Expenses;

3. the rights of the Liquidation Trust to prosecute any action based on or arising from the Insurance Policies or the CIP Agreements

or settle any action or potential action based on or arising from the Insurance Policies or the CIP Agreements;

4. the rights of the Liquidation Trust to assert any Claim, debt, obligation, Cause of Action, or liability for payment against an Insurance Company based on or arising from the Insurance Policies or the CIP Agreements, except to the extent otherwise released;

5. the rights of any Insurance Company (1) to assert any Claim, debt, obligation, Cause of Action, or liability for payment against any Non-Settling Insurance Company, (2) to assert any Claim for reinsurance under reinsurance contracts or any Claim under retrocessional contracts among the Settling Insurance Companies and any Non-Settling Insurance Company; or (3) to enforce its rights, if any, of subrogation to claims, rights, or Causes of Action of the Debtor, the Liquidating Debtor, or the Liquidation Trust (including as assignee or successor to the Debtor) against any Person that is not a Released Party or the Liquidation Trust;

6. the rights of any Insurance Company, in accordance with Section 10.5(iv) of the Plan, to assert any Claim for contribution, subrogation, indemnification or other similar Cause of Action against the Liquidation Trust for a Settling Insurance Company's alleged share or equitable share of the defense and/or indemnity obligation for any Talc Claim or for any Cause of Action released in any Insurance Settlement Agreement.

(g) Judgment Reduction for Insurer Contribution Claims Against Settling Insurers. If a Non-Settling Insurance Company obtains a judicial determination or arbitration award in any insurance action, that it would have been entitled to recover a sum certain on its right, Claim, or Cause of Action against a Settling Insurance Company for contribution, subrogation, equitable subrogation, indemnification, allocation, reimbursement, or offset relating to one or more Claims assumed by the Liquidation Trust, or agrees to such entitlement to such sum certain, upon such determination or award in the insurance action, the Liquidation Trust shall satisfy such right of recovery from the Settling Insurance Company by reducing or limiting any Claim, Cause of Action, or judgment it has against the Non-Settling Insurance Company for recovery on any such assumed Claim; *provided, however,* if the Non-Settling Insurance Company is not subject to any such claim or cause of action or judgment held by the Liquidation Trust, then after such determination

in the insurance action, the Liquidation Trust shall pay the amount to the Non-Settling Insurance Company in accordance with the Trust Distribution Procedures.

(h) Releases.

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the services of the Released Parties before and during the Chapter 11 Case to facilitate the liquidation of the Debtor and the implementation of the Trust Formation Transactions, and except as otherwise explicitly provided in the Plan or in the Confirmation Order, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably, and forever released, to the maximum extent permitted by law, as such law may be extended subsequent to the Effective Date, by the Debtor, the Liquidating Debtor, the Estate and any Person seeking to exercise the rights of the Estate, and any successors to the Debtor or any Estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, from any and all Claims or Causes of Action, including any Causes of Action arising under chapter 5 of the Bankruptcy Code, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, that the Debtor, the Liquidating Debtor, or the Estate would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtor, the Estate, the conduct of the Debtor's business, the Chapter 11 Case, the purchase, sale, or rescission of the purchase or sale of any security of the Debtor, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between the Debtor and any Released Party (including the exercise of any common law or contractual rights of setoff or recoupment by any Released Party at any time on or prior to the Effective Date), the Sale, the Asset Purchase Agreement, the Global Settlement, the Trust Formation Transactions, the VLT Documents, the restructuring of any Claim or Interest before or during the Chapter 11 Case, the Disclosure Statement, the Plan, and related agreements, instruments, and other documents, and the negotiation, formulation, preparation or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission; *provided*, *however*, that the Debtor does not release, and the Liquidation Trust shall retain, Claims or Causes of Action arising out of, or related to, any act or omission of a Released Party that is determined in a Final Order by a court of competent jurisdiction to constitute gross negligence, willful misconduct, or fraud. The Debtor, the Liquidating Debtor, the Liquidation Trust, and any other entities formed pursuant to the Plan shall be bound, to the same extent the Debtor and the Estate are bound, by the releases set forth in Section 10.6 of the Plan.

The release of any Released Party for any Claim or Causes of Action under Section 10.6 of the Plan shall not affect the liability of any Non-Released Party for any such Claim or Causes of Action on any theory of law or equity. Nothing in the Plan, the Plan Documents, the Confirmation Order, any finding of fact and/or conclusion of law with respect to the Confirmation of the Plan, or any order or opinion entered on appeal from the Confirmation Order, shall constitute

any adjudication, judgment, trial, hearing on the merits, finding, conclusion, or other determination establishing that any Non-Released Parties shall not be deemed to be liable (or continue to be liable) for their respective liabilities by reason of any theory of law or equity.

For the avoidance of doubt, if the Global Settlement Order is overturned on appeal, such outcome will have no effect on the Releases set forth in Section 10.6 of the Plan. For the further avoidance of doubt, nothing in the Plan, including Section 10.6, shall release, or be interpreted as releasing, any Claims or Causes of Action released under the Global Settlement Order or the Global Settlement.

(i) Exculpation.

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is hereby exculpated from, any Claim, obligation, suit, judgment, damage, demand, debt, right, Cause of Action, remedy, loss, and liability for any act or omission taken on or after the Petition Date and prior to or on the Effective Date relating to, in any way, or arising out of: the Chapter 11 Case; the negotiation, formulation, preparation, dissemination, implementation, administration, confirmation, consummation, and pursuit of the Disclosure Statement (including any information provided, or statements made, in the Disclosure Statement or omitted therefrom), the Trust Formation Transactions, the VLT Documents, the Plan (including the Plan Supplement), and the solicitation of votes for, and confirmation of, the Plan; the funding or consummation of the Plan (including the Plan Supplement); the occurrence of the Effective Date; the Sale, the Asset Purchase Agreement, and negotiations regarding or concerning any of the foregoing; the Global Settlement; the administration of the Plan and the property to be distributed under the Plan; the wind-down of the Debtor or the Liquidating Debtor, as applicable; the offer, issuance, and distribution of any securities under or in connection with the Plan; and the transactions in furtherance of any of the foregoing. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability. Notwithstanding the foregoing, Section 10.7 of the Plan shall not exculpate any Exculpated Party with respect to any act or omission of such Exculpated Party that is determined in a Final Order by a court of competent jurisdiction to constitute gross negligence, willful misconduct, or fraud.

(j) Injunction Related to Releases and Exculpation.

No Person may commence or pursue a Cause of Action of any kind against the Exculpated Parties or the Released Parties that will be or is extinguished, exculpated, or released by the Plan or otherwise will be or is subject to the Plan.

(k) Subordinated Claims.

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments thereof under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, sections 509(c), 510(a), 510(b), or 510(c) of the

Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtor reserves the right to reclassify any Allowed Claim or Allowed Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

(l) Preservation of Causes of Action and Reservation of Rights.

The Liquidation Trust shall have the right to prosecute any and all Retained Causes of Action. Pursuant to section 1123(b) of the Bankruptcy Code, except as provided in Sections 10.4 through 10.8 of the Plan, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights, Claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses that the Debtor had immediately before the Effective Date on behalf of the Estate or of itself in accordance with any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including any actions specifically enumerated in the Schedule of Retained Causes of Action to be filed as part of the Plan Supplement. Subject to Sections 10.4 through 10.8 of the Plan, all such Claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses shall be transferred to the Liquidation Trust which shall have, retain, reserve, and be entitled to assert all such Claims, Causes of Action, rights of setoff, or recoupment, and other legal or equitable defenses as fully as if the Chapter 11 Case had not been commenced, and all of the Debtor's and the Liquidating Debtor's legal and equitable rights with respect to any Claim or Interest may be asserted after the Effective Date to the same extent as if the Chapter 11 Case had not been commenced.

To the extent any such right to subrogation exists under an Insurance Policy issued by a Non-Settling Insurance Company or applicable law, any Non-Settling Insurance Company that makes a payment to the Liquidation Trust on account of a Talc Claim shall, to the extent of such payment and the terms of the applicable Insurance Policy, be subrogated to, and entitled to enforce and receive the proceeds of, any Claims, rights, or Causes of Action that the Debtor, the Liquidating Debtor, or the Liquidation Trust (including as assignee or successor to the Debtor), has or may, in the future, have against any Persons other than any Settling Insurance Company, any Person who is a Released Party, or the Liquidation Trust, relating to such Talc Claim, subject to the Releases and the exculpation provided for in Section 10.7 of the Plan, including, without limitation, any claims for contribution, indemnification, or reimbursement, notwithstanding the Debtor's transfer of any such claim, right or Cause of Action to the Liquidation Trust.

(m) Ipso Facto and Similar Provisions Ineffective.

Any term of any policy, contract, or other obligation applicable to the Debtor shall be void and of no further force or effect with respect to the Debtor to the extent such policy, contract, or other obligation is conditioned on, creates an obligation of the Debtor as a result of, or gives rise to a right of any Person based on any of the following: (i) the insolvency or financial condition of the Debtor; (ii) the commencement of the Chapter 11 Case; (iii) the confirmation or consummation of the Plan, including any change of control that shall occur as a result of such consummation; or (iv) the Trust Formation Transactions.

(n) Solicitation of Plan.

As of and subject to the occurrence of the Confirmation Date: (i) the Debtor shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including sections 1125(a) and (e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation and (ii) the Debtor and its managers, directors, officers, employees, Affiliates, agents, financial advisors, investment bankers, professionals, accountants, and attorneys shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any securities under the Plan, and therefore are not, and on account of such offer, issuance, and solicitation shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer and issuance of any securities under the Plan.

(o) Corporate Action.

Upon the Effective Date, by virtue of the solicitation of votes in favor of the Plan and entry of the Confirmation Order, all actions contemplated by the Plan (including any action to be undertaken by the Liquidation Trust and/or the Liquidating Trustee) shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by holders of Claims or Interests, the Debtor, or any other Entity or Person. All matters provided for in the Plan involving the corporate structure of the Debtor, and any corporate action required by the Debtor in connection therewith, shall be deemed to have occurred on the Effective Date and shall be in effect, without any requirement of further action by the Debtor or the Estate.

(p) Setoff and Subrogation.

No holder of a Claim or Interest shall be entitled to set off or subrogate any Claim that such holder has against the Debtor against any Cause of Action of the Debtor, or the Liquidation Trust, as applicable, unless such holder filed a motion before the Confirmation Date requesting the right to perform such setoff or subrogation or indicated in an Allowed proof of Claim filed before the Confirmation Date that such holder asserts, has or intends to preserve, such right of setoff, or subrogation; *provided*, *however*, that Section 10.14 of the Plan shall not apply to the extent necessary to ensure that the Settlement Appeals are not moot.

(q) Provision Related to Non-Debtor Affiliates.

For the avoidance of doubt, none of the Non-Debtor Affiliates shall be a "Released Party" under the Plan. Nothing in the Plan, including the injunction, releases, or exculpation provided in the Plan shall, or shall be deemed to, expand or otherwise affect the releases granted in the Global Settlement Order and the Global Settlement.

(r) Expungement of Talc Claims from the Claims Register.

On the Effective Date, all Talc Claims filed against the Debtor in the Chapter 11 Case shall be expunged from the Claims Register. Talc Claims will be addressed outside of the

bankruptcy claims resolution process consistent with Section 4.5 of the Plan, as applicable, subject to the Bar Date Order for Indirect Talc Claims.

VII. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following discussion is a summary of certain material U.S. federal income tax consequences of the implementation of the Plan to certain holders of Claims entitled to vote on the Plan. The following summary does not address the U.S. federal income tax consequences to holders of Claims who are unimpaired, deemed to accept or reject the Plan, or otherwise entitled to payment in full under the Plan. In addition, this discussion does not address any consideration that is received on account of a person's capacity other than as a holder of such Claims, nor any special arrangements or contractual rights that are not being received or entered into in respect of an underlying Claim, including as a result of transactions contemplated by the Asset Purchase Agreement.

The discussion of U.S. federal income tax consequences below is based on the Internal Revenue Code of 1986, as amended (the "**IRC**" or "**Tax Code**"), regulations promulgated by the United States Department of the Treasury under the Tax Code (the "**Treasury Regulations**"), judicial authorities, published positions of the Internal Revenue Service ("**IRS**"), and other applicable authorities, all as in effect on the date of this Disclosure Statement, and all of which are subject to change or differing interpretations (possibly with retroactive effect). The U.S. federal income tax consequences of the contemplated transactions are complex and subject to significant uncertainties. The Debtor has not requested an opinion of counsel or a ruling from the IRS or any other taxing authority with respect to any of the tax aspects of the contemplated transactions, and the discussion below is not binding upon the IRS or any court. Accordingly, there can be no assurance that the IRS would not assert, or that a court would not sustain, a contrary position as to the U.S. federal income tax consequences described herein.

This summary does not address non-U.S., state, local, gift, or estate tax consequences of the Plan, and does not purport to address all aspects of U.S. federal income taxation that may be relevant to a Claim holder in light of its individual circumstances, including any alternative minimum tax, or to a holder that may be subject to special tax rules (such as persons who are related to any Debtor within the meaning of one of various provisions of the Tax Code; persons who are not "United States persons" within the meaning of the Tax Code; broker-dealers; banks; mutual funds; insurance companies; financial institutions; small business investment companies; regulated investment companies; tax-exempt organizations; governmental authorities or agencies; dealers and traders in securities; retirement plans; individual retirement and other tax-deferred accounts; holders that are, or hold Claims through, S corporations, partnerships or other pass-through entities for U.S. federal income tax purposes; persons whose functional currency is not the U.S. dollar; dealers in foreign currency; holders who hold Claims as part of a straddle, hedge, conversion transaction or other integrated investment; holders using a mark-to-market method of accounting; holders of Claims who are themselves in bankruptcy; and holders who are accrual method taxpayers that report income on an "applicable financial statement").

Moreover, this discussion does not address the tax treatment of the Liquidating Debtor given that (i) the Liquidating Debtor should have no assets, liabilities or operations after the Effective Date, and (ii) all items of U.S. federal income, gain, loss, and deduction of the Debtor arising on the Effective Date should generally be includible on the tax return of Holdings. In addition, the tax treatment of the Liquidating Debtor should have minimal, if any, impact on holders of Claims.

This summary assumes the various arrangements to which the Debtor is a party will be respected for U.S. federal income tax purposes in accordance with their form. This summary also assumes that the Claims are held as "capital assets" (generally, property held for investment) within the meaning of IRC Section 1221. In addition, this discussion does not address U.S. federal taxes other than income taxes, except as specifically addressed below.

THE FOLLOWING DISCUSSION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON YOUR INDIVIDUAL CIRCUMSTANCES. EACH HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISOR FOR THE U.S. FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

7.1 Consequences to the Debtor

For U.S. federal income tax purposes, the Debtor is an entity disregarded as separate from its owner, Holdings. Accordingly, the U.S. federal income tax consequences of consummating the Plan will generally not be borne by the Debtor, but by Holdings.

7.2 Consequences to Holders of Certain Claims

Pursuant to the Plan, except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Unsecured Claim agrees to different treatment (such as making the Convenience Claim Election), in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive such holder's General Unsecured Claim Distribution. General Unsecured Claim Distributions shall be made to holders of Allowed General Unsecured Claims on the later of (i) thirty (30) calendar days after the GUC Cause of Action Completion Date and (ii) thirty (30) calendar days after such General Unsecured Claim becomes an Allowed Claim.

Except as otherwise provided in the Plan or to the extent that a holder of an Allowed General Convenience Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and in exchange for, such Allowed General Convenience Claim, each holder of an Allowed General Convenience Claim shall receive payment in Cash in an amount equal to 90% to 100% of such Allowed General Convenience Claim on the Effective Date or as soon as reasonably practicable thereafter. To the extent a General Convenience Claim is subject to an objection on the Effective Date, such General Convenience Claim shall be paid thirty (30) calendar days after such General Convenience Claim becomes an Allowed Claim (if applicable).

As discussed below (*see* Section 7.3), each holder of an Allowed General Unsecured Claim and each holder of an Allowed General Convenience Claim that receives a beneficial interest in the Liquidation Trust will be treated for U.S. federal income tax purposes as directly receiving, and as a direct owner of, an undivided interest in the assets transferred to such Liquidation Trust consistent with its economic rights in the Liquidation Trust, and subject to any portion(s) of the Liquidation Trust (including the GUC Recovery Fund) being treated as a "disputed ownership fund" or a "qualified settlement fund" for U.S. federal income tax purposes.

Except to the extent that a holder of an Allowed Talc Claim agrees to different treatment, in full and final satisfaction, settlement, release of, and exchange for an Allowed Talc Claim, each such holder shall receive, from the Liquidation Trust, such holder's share of the TC Recovery Fund in accordance with the Trust Distribution Procedures. As discussed further below, the TC Recovery Fund is intended to be treated as a "qualified settlement fund" for U.S. federal income tax purposes.

(a) Consequences to Holders of General Unsecured Claims and Holders of General Convenience Claims.

In general, a holder of an Allowed General Unsecured Claim or an Allowed General Convenience Claim will recognize gain or loss with respect to its Allowed Claim in an amount equal to the difference between (i) the sum of the amount of any cash and the fair market value of its undivided interest in the other assets transferred to the Liquidation Trust and treated as received in respect of its Claim (other than any consideration attributable to a Claim for accrued but unpaid interest) and (ii) the adjusted tax basis of the Claim exchanged therefor (other than any tax basis attributable to accrued but unpaid interest previously included in the holder's taxable income); *provided* that, to the extent property is not distributed to a holder of such an Allowed Claim on the Effective Date but, instead, is transferred to a fund (that is treated as, or for which an election has been made to treat such fund as, a "disputed ownership fund" under Treasury Regulation section 1.468B-9, in each case, as of the Effective Date), although not free from doubt, a holder of such a Claim should not recognize any gain or loss with respect to such property on the date that the property is so transferred. Instead, subject to definitive published guidance from the IRS or a decision of a court of competent jurisdiction to the contrary, or the receipt of a determination by the IRS, gain or loss should be recognized when and to the extent property is actually distributed to such holder of such a Claim. *See* Section 7.3(c).

Pursuant to the Plan, the Liquidation Trust will in good faith value the assets transferred thereto, and all parties to the Liquidation Trust must consistently use such valuation for all U.S. federal income tax purposes. As discussed below, the amount of cash or other property received in respect of an Allowed General Unsecured Claim or Allowed General Convenience Claim for accrued but unpaid interest will be taxed as ordinary income, except to the extent previously included in income by a holder under its method of accounting. *See* Section 7.2(c). After the Effective Date, a holder's share of any collections received on the assets of the Liquidation Trust (other than as a result of the subsequent disallowance of Disputed Claims, the reallocation of undeliverable distributions, or such assets being held in a disputed ownership fund) should not be included, for U.S. federal income tax purposes, in the holder's amount realized in respect of its Allowed General Unsecured Claim or an Allowed General Convenience Claim but should be separately treated as amounts realized in respect of such holder's ownership interest in the underlying assets of the Liquidation Trust.

In the event of the subsequent disallowance of any Disputed Claim, it is possible that a holder of a previously Allowed General Unsecured Claim or General Convenience Claim may receive additional distributions in respect of its Claim. Accordingly, it is possible that the recognition of any loss realized by a holder with respect to such a previously Allowed Claim may be deferred until all Claims are Allowed or Disallowed. Alternatively, it is possible that a holder will have additional gain in respect of any additional distributions received. *See* Section 7.3(c).

In addition, it is possible that the Liquidation Trust may, in whole or in part, be treated as a "qualified settlement fund" as of the Effective Date. To such extent, any holder having an interest in such qualified settlement fund would not be treated as receiving a distribution from the Debtor in respect of their Allowed General Unsecured Claim or Allowed General Convenience Claim with respect to such interest until such time as the qualified settlement fund actually makes distributions. *See* Section 7.3(c). If gain or loss is recognized, such gain or loss may be long-term capital gain or loss if the Allowed General Unsecured Claim or Allowed General Convenience Claim disposed of has been held for more than one year. Each holder of an Allowed General Unsecured Claim or Allowed General Convenience Claim should consult its tax advisor to determine whether gain or loss recognized by such holder will be long-term capital gain or loss and the specific tax effect thereof on such holder. The character, amount and timing of income depend on, among other things: (i) the origin of the holder's Allowed Claim; (ii) when the holder receives payment (or is deemed to receive payment) in respect of such Allowed Claim, whether the holder receives distributions in more than one taxable year, and whether the Allowed Claim is an installment obligation; (iii) whether the holder reports income using the accrual or cash method of tax accounting; (iv) whether the holder acquired its Allowed Claim at a discount and/or whether the "market discount" rules apply; and/or (v) whether the holder has taken a bad debt deduction with respect to such Allowed Claim (or any portion thereof).

(b) Consequences to Holders of a Talc Claim.

Each Allowed Talc Claim will be satisfied in cash only from the TC Recovery Fund. For U.S. federal income tax purposes, distributions made from the TC Recovery Fund to holders of Allowed Talc Claims will generally be treated as taxable exchanges received by holders in respect of their Claims under IRC 1001. The U.S. federal income tax treatment of the receipt of payments by a holder of an Allowed Talc Claim generally will depend on the nature of the Claim. Amounts received by a holder of a personal injury claim generally should not constitute gross income to such recipients under Section 104 of the Tax Code to the extent they represent damages received on account of personal physical injuries or physical sickness, except to the extent such payments are attributable to medical expense deductions allowed under Section 213 of the Tax Code for a prior taxable year. To the extent that any payments from the TC Recovery Fund to holders of Allowed Talc Claims constitute damages received by such holders on account of claims other than physical injuries (such as lost wages) or received as interest (or any other amounts not excludable from income under Section 104 of the Tax Code), such payments will be includible in gross income to such holders. Because the tax treatment of any amounts received by a holder under the Plan will depend on facts particular to each holder, all holders of Talc Claims are urged to consult their own tax advisors as to the proper tax treatment of such amounts under their particular facts and circumstances.

(c) Distributions in Respect of Accrued But Unpaid Interest.

In general, to the extent any amount received (whether cash or other property) by a holder of a debt instrument is received in satisfaction of interest that accrued during its holding period, such amount will be taxable to the holder as ordinary interest income (if not previously included in the holder's gross income under the holder's normal method of accounting). Conversely, a holder generally recognizes a deductible loss to the extent any accrued interest was previously included in its gross income and is not paid in full.

If the amount of the consideration is not sufficient to fully satisfy all principal and interest on the Allowed Claim, the extent to which such consideration will be attributable to accrued interest is uncertain. Pursuant to Section 6.17 of the Plan, except as otherwise required by law (as reasonably determined by the Liquidating Trustee), distributions in respect of any Allowed Claim shall be allocated first to the principal amount of such Allowed Claim (as determined for U.S. federal income tax purposes) and, thereafter, to the remaining portion of such Allowed Claim, if any. However, there is no assurance that such allocation would be respected by the IRS for U.S. federal income tax purposes. You are urged to consult your own tax advisor regarding the allocation of consideration received under the Plan, as well as the character of any loss claimed with respect to accrued but unpaid interest previously included in gross income for U.S. federal income tax purposes.

7.3 Tax Treatment of the Liquidation Trust and Holders of Beneficial Interests Therein

Pursuant to the Plan, all Assets of the Debtor and/or the Liquidating Debtor as of the Effective Date shall be transferred to the Liquidation Trust. As discussed below, subject to any portion(s) of the Liquidation Trust allocable to the TC Recovery Fund or being treated as a "disputed ownership fund" or a "qualified settlement fund" for U.S. federal income tax purposes, the Liquidation Trust is intended to be treated as a "liquidating trust" for U.S. federal income tax purposes. Whether all or any portion of the Liquidation Trust is treated as a disputed ownership fund or a qualified settlement fund depends in part on the nature and status of the Claims held by recipients of beneficial interests therein and elections made by the Liquidating Trustee.

(a) Classification of the Liquidation Trust.

The Liquidation Trust is intended to qualify as a "liquidating trust" for U.S. federal income tax purposes (other than as may be determined in respect of any portion of the assets transferred to the Liquidation Trust and allocable to, or retained on account of, Disputed Claims, the TC Recovery Fund or treated as held by a disputed ownership fund or qualified settlement fund, as discussed below). In general, a liquidating trust is not a separate taxable entity but rather is treated for U.S. federal income tax purposes as a "grantor" trust (i.e., a pass-through entity). The IRS, in Revenue Procedure 94-45, 1994-2 C.B. 684, set forth the general criteria for obtaining an IRS ruling as to the grantor trust status of a liquidating trust under a chapter 11 plan. The Liquidation Trust will be structured with the intention of complying with such general criteria. Pursuant to the Plan, and in conformity with Revenue Procedure 94-45, all parties (including, without limitation, the Debtor, the Liquidating Trustee and beneficiaries of the Liquidation Trust) shall treat the transfer of assets to the Liquidation Trust as (1) a transfer of such assets (subject to any obligations relating to those assets) directly to recipients of beneficial interests in the Liquidation Trust (other than to the extent such assets are allocable to Disputed Claims, the TC Recovery Fund or treated as held by a disputed ownership fund or qualified settlement fund), followed by (2) the transfer by such beneficiaries to the Liquidation Trust of such assets in exchange for beneficial interests in the Liquidation Trust. Accordingly, except in the event of contrary definitive guidance, holders of beneficial interests in the Liquidation Trust shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective share of the assets transferred by the Debtor to the Liquidation Trust (other than such assets as are allocable to

Disputed Claims, the TC Recovery Fund, or treated as held by a disputed ownership fund or qualified settlement fund).

No ruling is currently being requested from the IRS concerning the tax status of the Liquidation Trust as a grantor trust. Accordingly, there can be no assurance that the IRS would not take a contrary position to the classification of the Liquidation Trust as a grantor trust. If the IRS were to successfully challenge such classification, the U.S. federal income tax consequences to the Liquidation Trust and the holders of Claims could vary from those discussed herein. Certain U.S. federal income tax consequences of the Liquidation Trust or portions thereof being treated as a "disputed ownership fund" or as a "qualified settlement fund" within the meaning of Treasury Regulation section 1.468B-1 *et seq*. are also discussed below.

(b) General "Liquidating Trust" Tax Reporting by the Liquidation Trust and Liquidation Trust's Beneficiaries.

For all U.S. federal income tax purposes, all parties must treat the Liquidation Trust as a grantor trust of which the holders of beneficial interests in the Liquidation Trust are the owners and grantors, and treat such beneficiaries as the direct owners of an undivided interest in the assets transferred to the Liquidation Trust (other than any assets allocable to Disputed Claims, the TC Recovery Fund or treated as held by a disputed ownership fund or qualified settlement fund), consistent with their economic interests therein. The Liquidating Trustee will file tax returns for the Liquidation Trust treating the Liquidation Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a). The Liquidating Trustee also shall annually send to each holder of a beneficial interest in the Liquidation Trust a separate statement regarding the receipts and expenditures of the Liquidation Trust as relevant for U.S. federal income tax purposes.

All taxable income and loss of the Liquidation Trust will be allocated among, and treated as directly earned and incurred by, the holders of beneficial interests in the Liquidation Trust with respect to such holder's interest in the assets of the Liquidation Trust (and not as income or loss with respect to its prior Claims), with the possible exception of any taxable income and loss allocable to any assets allocable to, or retained on account of, Disputed Claims, the TC Recovery Fund, a disputed ownership fund or a qualified settlement fund. The character of any income and the character and ability to use any loss would depend on the particular situation of the holder.

As soon as reasonably practicable after the transfer of the Debtor's assets to the Liquidation Trust, the Liquidation Trust shall make a good faith valuation of such assets. All parties to the Liquidation Trust (including, without limitation, the Debtor, holders of Allowed Claims, and the beneficiaries of the Liquidation Trust) must consistently use such valuation for all U.S. federal income tax purposes. The valuation will be made available, from time to time, as relevant for tax reporting purposes.

The U.S. federal income tax obligations of a holder with respect to its beneficial interest in the Liquidation Trust are not dependent on the Liquidation Trust distributing any cash or other proceeds, subject to any portion(s) of the Liquidation Trust allocable to Disputed Claims, the TC Recovery Fund or treated as held by a disputed ownership fund or qualified settlement fund. Thus, a holder may incur a U.S. federal income tax liability with respect to its allocable share of the Liquidation Trust's income even if the Liquidation Trust does not make a concurrent distribution

to the holder. In general, other than in respect of cash retained on account of Disputed Claims, the TC Recovery Fund or from a disputed ownership fund or qualified settlement fund (the subsequent distribution of which still relates to a holder's Allowed Claim), a distribution of cash by the Liquidation Trust will not be separately taxable to a beneficiary of the Liquidation Trust since the beneficiary is already regarded for U.S. federal income tax purposes as owning the underlying assets (and was taxed at the time the cash was earned or received by the Liquidation Trust). Holders are urged to consult their tax advisors regarding the appropriate U.S. federal income tax treatment of any subsequent distributions of cash originally retained by the Liquidation Trust on account of Disputed Claims.

(c) Tax Reporting for Assets Allocable to Disputed Claims.

Subject to definitive published guidance from the IRS or a decision of a court of competent jurisdiction to the contrary (including the receipt by the Liquidating Trustee of an IRS private letter ruling if the Liquidating Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Liquidating Trustee) or, alternatively, to treatment as a qualified settlement fund, the Liquidating Trustee (i) may elect to treat the GUC Recovery Fund and any assets of the Liquidation Trust that are allocable to, or retained on account of, Disputed Claims (including any assets allocable to any Class of Claims as to which the allocation within such Class is not yet determined) as a "disputed ownership fund" governed by Treasury Regulation section 1.468B-9, if applicable, and (ii) to the extent permitted by applicable law, will report consistently for state and local income tax purposes.

Accordingly, if (i) a "disputed ownership fund" election is made with respect to assets allocable to, or retained on account of, Disputed Claims, such reserve or (ii) the GUC Recovery Fund is treated as a "disputed ownership fund," such fund, in each case, will be subject to tax annually on a separate entity basis on any net income earned with respect to the assets allocable thereto (including any gain recognized upon the disposition of such assets). Distributions from such reserves or funds (which distributions will be net of the expenses, including taxes, relating to the retention or disposition of such assets) in respect of such Claims will generally be treated as taxable exchanges under IRC 1001. All parties (including, without limitation, the Debtor, the Liquidating Trustee, and the beneficiaries of the Liquidation Trust) will be required to report for tax purposes consistently with the foregoing.

A reserve or fund treated as a "disputed ownership fund" will be responsible for payment, out of the assets of the reserve or fund, of any taxes imposed on the reserve or its assets (including any tax imposed as a result of any gain recognized upon the disposition of such assets). In the event, and to the extent, any cash in the reserve or fund is insufficient to pay the portion of any such taxes attributable to the taxable income arising from the assets of such reserve or fund (including any income that may arise upon the distribution of the assets in such reserve), assets of the reserve or fund may be sold to pay such taxes.

(d) Tax Reporting if the Liquidation Trust or any Portion thereof is Treated as a Qualified Settlement Fund.

The TC Recovery Fund is expected to be treated as a qualified settlement fund. Notwithstanding the foregoing, in addition to the TC Recovery Fund, the Liquidation Trust or

portions thereof may be treated (now or in the future) as a "qualified settlement fund" within the meaning of Treasury Regulation section 1.468B-1. To the extent that the beneficiaries of the Liquidation Trust are solely holders of Claims (other than trade claims) arising out of a tort, breach of contract, or violation of law, or a portion of the assets of the Liquidation Trust are segregated from its other assets and held for the benefit of holders of such Claims, the Liquidation Trust or a portion thereof may be required to be characterized as a qualified settlement fund.

A qualified settlement fund generally is taxed similarly to a disputed ownership fund for U.S. federal income tax purposes. *See* Section 7.3(c). As a qualified settlement fund, the TC Recovery Fund and the Liquidation Trust or such segregated portion treated as a qualified settlement fund would be subject to a separate entity-level U.S. federal income tax at the maximum rate applicable to trusts and estates (currently 37%). For the avoidance of doubt, any income or loss (including administrative costs) allocable to assets that are treated as held by a qualified settlement fund, including any gain or loss recognized upon disposition or distribution of such assets (treating the fair market value of the property on the date received by the qualified settlement fund as its initial tax basis), will be included in the taxable income of the qualified settlement fund that is subject to a separate entity level tax and excluded from the Liquidation Trust's income for purposes of determining the taxable income that is passed through to holders of beneficial interests in the liquidating trust. All parties (including, without limitation, the Debtor, the Liquidation Trust, and the holders of beneficial interests in the Liquidation Trust and the TC Recovery Fund) will be required to report for tax purposes consistently with the foregoing.

7.4 Withholding on Distributions and Information Reporting

All distributions to holders of Allowed Claims under the Plan are subject to any applicable tax withholding, including employment tax withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then applicable withholding rate (currently 24%). Backup withholding generally applies if the holder (a) fails to furnish its social security number or other taxpayer identification number, (b) furnishes an incorrect taxpayer identification number, (c) fails properly to report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the tax identification number 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; provided that the required information is timely provided to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions. Holders of Allowed Claims are urged to consult their tax advisors regarding the Treasury Regulations governing backup withholding and whether the transactions contemplated by the Plan would be subject to these Treasury Regulations.

In addition, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these Treasury Regulations and whether the transactions contemplated by the Plan would be subject to these Treasury Regulations and require disclosure on the holder's tax returns.

THE FOREGOING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. EACH HOLDER SHOULD CONSULT ITS TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN DESCRIBED HEREIN. NEITHER THE PROPONENTS NOR THEIR PROFESSIONALS WILL HAVE ANY LIABILITY TO ANY PERSON OR HOLDER ARISING FROM OR RELATED TO THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN OR THE FOREGOING DISCUSSION.

VIII. THE LIQUIDATION TRUST AND TRUST DISTRIBUTION PROCEDURES

On the Effective Date, the Liquidation Trust shall be created in accordance with the Plan Documents. The purposes of the Liquidation Trust shall be to assume all Talc Claims, General Unsecured Claims, and General Convenience Claims, and to use the VLT Assets and, among other things: (a) to preserve, hold, manage, and maximize the assets of the Liquidation Trust; and (b) to direct the processing, liquidation, and payment of all compensable Talc Claims, General Unsecured Claims, and General Convenience Claims in accordance with the VLT Documents. The Liquidation Trust will resolve Talc Claims in accordance with the VLT Documents in such a way that holders of Talc Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims.

Pursuant to the Plan and the Trust Agreement (which will be included in the Plan Supplement), the Liquidation Trust and the Trust Distribution Procedures will be administered by the Liquidating Trustee. The initial Liquidating Trustee will be disclosed in the Plan Supplement.

The Trust Distribution Procedures, which will be attached to the Plan as Exhibit A, will set forth procedures for processing and paying the Talc Claims. These procedures will be binding on the holders of all Talc Claims. The Trust Distribution Procedures will provide, among other things, for the resolution of Talc Claims pursuant to the terms of the Trust Agreement and the Trust Distribution Procedures, and that resolution of Talc Claims by the Liquidation Trust will result in a full or partial release of such Claim against the Liquidation Trust in accordance with the Trust Distribution Procedures.

Furthermore, potential claimants should be aware that any funds they recover from the Liquidation Trust, or against any "primary plan" as defined in the Medicare Secondary Payer Statute, 42 U.S.C. § 1395y(b) (the "**MSPS**"), could be subject to repayment obligations owing or potentially owing under the MSPS or related rules, regulations, or guidelines. Potential claimants should also be aware that, as a condition of receiving payment from the Liquidation Trust or any "primary plan" as defined by the MSPS, the claimants may be asked to certify that they will comply with any obligations owing or potentially owing under the MSPS or related rules, regulations, or guidelines. The Trust Agreement will require, as applicable, that the Liquidation Trust act as a reporting entity under 42 U.S.C. § 1395y(b), to the extent applicable.

A trust advisory committee (the "**Trust Advisory Committee**") will retain consent and consultation rights over certain actions of the Liquidating Trustee. The Trust Advisory Committee will initially be selected by the Creditors' Committee with the consent of the Debtor (not to be unreasonably withheld), and thereafter, pursuant to the VLT Documents. The identity of the initial members of the Trust Advisory Committee will be included in the Plan Supplement.

The Liquidating Trustee will receive a monthly retainer from the Liquidation Trust for his or her service as the Liquidating Trustee that will be disclosed in the Plan Supplement. Following the third year after the Effective Date, the Liquidating Trustee and the Trust Advisory Committee will review and discuss the monthly retainer and determine whether it should be changed. The members of the Trust Advisory Committee will receive no compensation from the Liquidation Trust.

The Liquidation Trust is a liquidating trust and is not intended to pay claims indefinitely. The Liquidation Trust will only pay claims until the VLT Assets are depleted.[19] The Liquidation Trust, however, will process all Talc Claims that are submitted to the Liquidation Trust with the required filing fee on or prior to the date that is one (1) year following the date the Liquidation Trust makes available to holders of Talc Claims a proof of Claim form and instructions for filing a Talc Claim with the Trust. The Liquidation Trust will pay any such Talc Claim if the Liquidation Trust approves the Talc Claim for payment and receives a properly executed release from the holder of such Talc Claim prior to the date that the Liquidation Trust establishes as a deadline in connection with the winding down of the Liquidation Trust.

The one (1) year filing period described in the prior paragraph is a safe harbor period in which the holder of a Talc Claim can file a Talc Claim with the Liquidation Trust and know it will be processed prior to the Liquidation Trust's termination. Holders of Talc Claims must, in all cases, comply with the provisions of the Trust Distribution Procedures regarding statutes of limitations and repose. Generally, holders of Talc Claims must file a proof of Claim, utilizing the claim form approved by the Liquidation Trust, together with the requisite supporting documentation and filing fee, within three (3) years of the Liquidation Trust making such proof of Claim form and instructions for filing a Talc Claim with the Liquidation Trust available (the "**Initial Claims Filing Date**"). In addition, any Talc Claims that are first diagnosed after the Petition Date, irrespective of the application of any relevant federal or state statute of limitation or repose, may be filed with the Liquidation Trust within three (3) years after the date of diagnosis or within three (3) years after the Initial Claims Filing Date, whichever occurs later.

For mesothelioma Talc Claims, the holder of such Talc Claim may choose to have his or her claim processed through either the Expedited Review process or the Individual Review process. Holders of Talc Claims that do not select between the two processes will undergo the Expedited Review process. All Other Disease Claims (which are all Talc Claims that are not mesothelioma claims, including lung cancer claims) must undergo the Individual Review process.

If a holder of a mesothelioma Talc Claim chooses the Expedited Review process and provides satisfactory evidence of (1) a diagnosis of mesothelioma and (2) Regular Exposure to Debtor Talc, the Liquidation Trust will offer such holder the Scheduled Value of such Talc Claim. The Expedited Review process is intended to provide a streamlined method for liquidating eligible mesothelioma Talc Claims to ensure that holders of such Claims are compensated in an expeditious manner.

[19] Pursuant to Section 5.3(xii) of the Plan, the Liquidation Trust will be dissolved no earlier than the GUC Administration Completion Date, the GUC Convenience Administration Completion Date, and the date on which (a) all Talc Claims that were submitted to the Liquidation Trust with the required filing fee on or prior to the date that is one (1) year following the date the Liquidation Trust makes available to holders of Talc Claims a proof of Claim form and instructions for filing a Talc Claim with the Liquidation Trust have been reviewed by the Liquidation Trust and, if approved, been afforded an opportunity to execute and return a properly executed release pursuant to the Trust Distribution Procedures, (b) all VLT Assets have been liquidated, and (c) all Distributions from the Liquidation Trust required to be made by the Liquidating Trustee under the Plan and the VLT Documents have been made, unless dissolution on an earlier date is authorized pursuant to a Final Order of the Bankruptcy Court.

Holders of mesothelioma Talc Claims that choose the Individual Review process are required to provide additional information to the Liquidation Trust, as will be set forth in more detail in the Trust Distribution Procedures. The Liquidation Trust will determine the liquidated value of each mesothelioma Talc Claim undergoing Individual Review by taking into consideration the historical liquidated values of other similarly situated mesothelioma claims within the applicable tort system and the historical values of claims paid by the Debtor, among other factors. Under the Individual Review process, the liquidated value of mesothelioma claims may not exceed a specified Maximum Value. A Talc Claim that undergoes Individual Review may receive less than the Scheduled Value the holder would have received under Expedited Review.

All Other Disease Claims will undergo Individual Review. To be compensated by the Liquidation Trust, holders of Other Disease Claims must provide certain information that will be specified by the Trust Distribution Procedures. Holders of Other Disease Claims must also establish that he or she had no significant occupational or industrial exposure (whether direct or bystander) to asbestos or non-Debtor talc products. If the Liquidation Trust determines that an Other Disease Claim should be paid, the Liquidation Trust may offer such holder a certain liquidated value. For the avoidance of doubt, Other Disease Claims have a separate liquidated value cap which is distinct from the Maximum Value applicable to mesothelioma claims under Individual Review.

Pre-Petition Liquidated Claims[20] (generally prepetition unpaid verdicts and settlements) may be allowed at their full amount, including post-petition interest but excluding punitive damages, each to the extent applicable, and are not subject to the Trust Distribution Procedure's Maximum Values.[21]

Pre-Petition Liquidated Claims are expected to include certain outstanding settlement payments as of the Petition Date. Recipients of avoidable transfers made on account of prepetition settlements who return property to the Debtor's estate, if any, and assert claims under section 502(h) of the Bankruptcy Code could be treated as Pre-Petition Liquidated Claims.

The Trust Distribution Procedures contemplate an initial installment payment and subsequent distributions to Talc Claims, which will be set by the Liquidating Trustee. Afterwards, distributions may be adjusted from time to time by the Liquidation Trust, in accordance with the Trust Distribution Procedures and the Trust Agreement, to reflect then-current estimates of the Liquidation Trust's assets and liabilities, as well as the estimated value of then-pending Talc Claims.

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[20] "**Pre-Petition Liquidated Claims**" are all Talc Claims that were liquidated by (i) a binding settlement agreement for the particular claim entered into prior to the Petition Date that is judicially enforceable by the Claimant, (ii) a jury verdict or non-final judgment in the tort system obtained prior to the Petition Date, provided there is no letter of credit, appeal bond, supersedeas bond, or other security or surety associated with such verdict of judgment, and only to the extent such verdict or judgment has not been reduced, vacated, or otherwise overturned on appeal, or (iii) a judgment that became final and non-appealable prior to the Petition Date.

[21] For the avoidance of doubt, General Unsecured Claims are not subject to the Scheduled Values or Maximum Values set forth in the Trust Distribution Procedures.

The Liquidating Trustee, with the consent of the Trust Advisory Committee, will develop and adopt alternative dispute resolution procedures ("**ADR Procedures**") that will allow a holder of a Talc Claim that has completed the Individual Review process or the Expedited Review process to elect binding arbitration of a dispute regarding such holder's right to recover from the Liquidation Trust or the liquidated value of such holder's Talc Claim. However, in any arbitration, the arbitrator will consider the same medical and exposure evidentiary requirements as those in the Trust Distribution Procedures. In the case of an arbitration involving the liquidated value of a claim, the arbitrator will consider the same valuation factors as those in the Trust Distribution Procedures.

A distribution from the TC Recovery Fund is the sole source of recovery for holders of Allowed Talc Claims. To be clear, if a Talc Claim is not designated as an Allowed Talc Claim pursuant to the Trust Distribution Procedures, the holder of such Talc Claim will have no further recourse from the Liquidation Trust, the Debtor, the Liquidating Debtor, or its Estate. Additionally, upon confirmation of the Plan, under no circumstances will any holder of a Talc Claim or Allowed Talc Claim have any recourse against the Debtor, Liquidating Debtor, of its estate, and holders of such claims shall look solely to the TC Recovery Fund for any recovery.

IX. CERTAIN RISK FACTORS TO BE CONSIDERED

THE PLAN AND ITS IMPLEMENTATION ARE SUBJECT TO CERTAIN RISKS, INCLUDING, BUT NOT LIMITED TO, THE RISK FACTORS SET FORTH BELOW. HOLDERS OF CLAIMS ENTITLED TO VOTE ON THE PLAN SHOULD READ AND CAREFULLY CONSIDER THE RISK FACTORS, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND THE PLAN, BEFORE DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN.

New factors, risks and uncertainties emerge from time to time and it is not possible to predict all such factors, risks and uncertainties.

These risk factors should not, however, be regarded as constituting the only risks involved in connection with the Plan and its implementation. No representations concerning or related to the Debtor, the Liquidating Debtor, the Plan, the Liquidation Trust, or the Chapter 11 Case are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure acceptance or rejection of the Plan that are not contained in, or included with, this Disclosure Statement should not be relied upon by claimants in arriving at their decision.

9.1 Risks Associated with the Bankruptcy Process

(a) Risk of Non-Acceptance of the Plan.

Although the Plan Proponents encourage the holders of claims in the Voting Classes to vote to accept the Plan, there can be no assurance that the Plan will be accepted by the requisite Classes entitled to vote on the Plan. If at least one of the Voting Classes does not vote in favor of the Plan, the Plan may not be confirmed as written.

(b) Risk of Non-Confirmation of the Plan.

While the Plan Proponents believe the Plan is confirmable under section 1129 of the Bankruptcy Code, even if the Voting Classes vote in favor of the Plan or the requirements for "cramdown" are met with respect to any Class that rejects or is deemed to reject the Plan, the Bankruptcy Court could decline to confirm the Plan if it finds that any of the statutory requirements for confirmation are not met. If the Plan is not confirmed, there can be no assurances that the Chapter 11 Case will continue rather than be dismissed or converted to a chapter 7 liquidation, or that any alternative plan of liquidation would be on terms as favorable to the holders of Claims as the terms of the Plan. If an alternative liquidation were to occur, there is a substantial risk that the value of the Debtor's assets would be substantially reduced to the detriment of all stakeholders. Further, in such event, the Debtor may not have sufficient liquidity to operate in bankruptcy for such an extended period.

(c) Risk of Nonconsensual Confirmation.

Pursuant to the cramdown provisions of section 1129(b) of the Bankruptcy Code, the Bankruptcy Court can confirm the Plan notwithstanding the nonacceptance of the Plan by an impaired class of claims or interests if at least one impaired class of claims has accepted the Plan

(with such acceptance being determined without including the acceptance of any insider (as defined in section 101(31) of the Bankruptcy Code) in such class) and, as to each impaired class which has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to impaired classes. The Debtor intends to request confirmation of the Plan in accordance with section 1129(b) of the Bankruptcy Code if any Class of Claims rejects the Plan or is deemed to reject the Plan. Although the Plan Proponents believe the Plan meets such requirements, there can be no assurance the Bankruptcy Court will reach the same conclusion.

(d) Claims Could Be Greater than Projected.

There can be no assurance that the estimated amount of Claims in certain Classes will not be significantly more than projected, which could cause the value of distributions to creditors to be reduced substantially. Certain assumptions may not materialize, and unanticipated events and circumstances may affect the ultimate results. For example, discrepancies between the actual amounts and the estimates regarding the Allowed Administrative Expense Claims, Allowed Other Priority Claims, Allowed General Unsecured Claims, Allowed General Convenience Claims, and/or Allowed Talc Claims could significantly impact the distributions to other creditors. The Debtor's primary remaining liabilities to be administered under the Plan and applicable Trust Documents, including, without limitation, the Trust Distribution Procedures, include Talc Claims in an undetermined amount. The Debtor does not intend to seek a formal estimation of the Debtor's total liability on account of Talc Claims, though it reserves the right to do so in the future. For the foregoing reasons, the actual amount of Allowed Claims may vary materially.

(e) Risk of Appeal Outcomes.

There can be no assurance regarding the timing or outcome of the Consolidated Settlement Order Appeal. The Global Settlement, by its own terms, cannot be fully implemented until the Global Settlement Order becomes final and non-appealable. Accordingly, an adverse ruling could affect the finality of the Global Settlement Order and, in turn, the timing of distributions contemplated under the Global Settlement and the Plan. Similarly, there can be no assurance regarding the outcome or timing of the Sale Order Appeal, and an adverse ruling could affect the finality of the Sale Order and the transactions consummated thereunder.

(f) The Value of Insurance Rights is Uncertain.

The Insurance Rights that will vest in the Trust are inherently difficult to value. As discussed in Section 5.13 herein, the Debtor believes that the total amount of remaining insurance limits potentially available for talc claims exceeds $445 million, accounting for known, solvent, and unexhausted limits. Notwithstanding the limits of the implicated policies, the realizable value of such coverage is subject to a number of factors and uncertainties, including the solvency of primary carriers. In addition, litigating the Insurance Rights, and collecting the related Insurance Proceeds, is a time-consuming and expensive process. Recoveries on account of any of the Insurance Rights are speculative and uncertain. Though the Plan Proponents believe that the Insurance Rights are valuable, such value may be difficult to realize.

(g) The Value of Retained Causes of Action is Uncertain.

The Retained Causes of Action that will vest in the Liquidation Trust are inherently difficult to value; any such Retained Cause of Action may prove to have limited or zero value. In addition, litigating the Retained Causes of Action is a time-consuming and expensive process. Recoveries on account of any of the Retained Causes of Action are speculative and uncertain due to the risk of success on the merits and the potential difficulties of collection and enforcement of any judgments. Though the Plan Proponents believe that the Retained Causes of Action are valuable, such value may be difficult to realize.

(h) Distributions to Allowed Claims Under the Plan May Change.

Projected distributions are based upon good faith estimates of the total amount of Claims ultimately allowed and the funds available for distribution. The Plan Proponents believe that these assumptions and estimates are reasonable. However, as aforementioned unanticipated events or circumstances could result in such estimates increasing or decreasing materially, both the actual amount of Allowed Claims in a particular Class (as discussed in paragraph (d) of this Section) and the funds available for distribution to such Class may differ from the Debtor's estimates (as discussed in paragraphs (f) and (g) of this Section). If the total amount of Allowed Claims in a Class is higher than the Debtor**'**s estimates, or the funds available for distribution to such Class are lower than the Debtor's estimates (including estimates of the amount of cash to be realized from liquidation of the Debtor's remaining assets), the percentage recovery to holders of Allowed Claims in such Class will be less than projected. For example, if Administrative Expense Claims are lower (or higher) than anticipated, then the amount available for distribution to creditors would be more (or less) than projected herein and recoveries on account of Allowed Claims would be more (or less) than the estimated recoveries set forth herein.

(i) Classification and Treatment of Claims and Interests.

Section 1122 of the Bankruptcy Code requires that the Plan classify Claims against, and Interests in, the Debtor. The Bankruptcy Code also provides that the Plan may place a Claim or Interest in a particular Class only if such Claim or Interest is substantially similar to the other Claims or Interests in such Class. The Plan Proponents believe that all Claims and Interests have been appropriately classified in the Plan.

To the extent that the Bankruptcy Court finds that a different classification is required for the Plan to be confirmed, the Debtor may seek (i) to modify the Plan to provide for whatever classification might be required for confirmation and (ii) to use the acceptances received from any creditor for the purpose of obtaining the approval of the Class or Classes of which such creditor ultimately is deemed to be a member. Any such reclassification of creditors, although subject to the notice and hearing requirements of the Bankruptcy Code, could adversely affect the Class in which such creditor was initially a member, or any other Class under the Plan, by changing the composition of such Class and the vote required for approval of the Plan. There can be no assurance that the Bankruptcy Court, after finding that a classification was inappropriate and requiring a reclassification, would approve the Plan based upon such reclassification. Except to the extent that modification of classification in the Plan requires resolicitation, the Debtor may, in accordance with the Bankruptcy Code and the Bankruptcy Rules, seek a determination by the

Bankruptcy Court that acceptance of the Plan of any holder of Allowed Claims will constitute a consent to the Plan's treatment of such holder regardless of the Class as to which such holder is ultimately deemed to be a member. The Plan Proponents believe that under the Bankruptcy Rules, it would be required to resolicit votes for or against the Plan only when a modification adversely affects the treatment of the claim of any creditor or equity interest holder.

The Bankruptcy Code also requires that the Plan provides the same treatment for each Claim or Interest in a particular Class unless the Holder of a particular Claim or Interest agrees to a less favorable treatment of its Claim or Interest. The Plan Proponents believe that the Plan complies with the requirement of equal treatment. To the extent that the Bankruptcy Court finds that the Plan does not satisfy such requirement, the Bankruptcy Court could deny confirmation of the Plan.

Issues or disputes relating to classification and/or treatment could result in a delay in the confirmation of the Plan and could increase the risk that the Plan will not be consummated.

(j) Risk of Delayed Confirmation or Effective Date.

Although the Plan Proponents expect that the Plan will be confirmed on or shortly after the scheduled Confirmation Hearing, there is a risk that confirmation of the Plan will be delayed. Similarly, there can be no assurances that the Effective Date will occur promptly because the Effective Date is contingent upon satisfaction of the conditions precedent to the Effective Date set forth in the Plan. If the Effective Date of the Plan is delayed significantly, it could detrimentally impact the administration of the Debtor**'**s Estate and reduce recoveries available to creditors.

(k) Risk of Non-Occurrence of the Effective Date.

Although the Plan Proponents believe that the Effective Date will occur soon after the Confirmation Date, there can be no assurance as to the timing of the Effective Date. If the conditions precedent to the Effective Date set forth in the Plan have not occurred or have not been waived as forth in Article IX of the Plan, then the Confirmation Order may be vacated, in which event no distributions would be made under the Plan, the Debtor and all holders of Claims or Interests would be restored to the status quo as of the day immediately preceding the Confirmation Date, and the Debtor**'**s obligations with respect to Claims and Interests would remain unchanged.

(l) Risk of Increased Administrative Claims and Other Priority Claims.

The estimates of Allowed Claims and recoveries for holders of Allowed Claims set forth in this Disclosure Statement are based on various assumptions. In the event of protracted litigation regarding the confirmation of the Plan, including with the Creditors' Committee, the Debtor is likely to incur increased professional fees and administrative costs, which will have the effect of increasing the amount of Administrative Claims and Other Priority Claims, thereby reducing the expected recoveries to creditors. Increased Allowed administrative costs on account of litigation expenses may further have the effect of exacerbating other risks to the Debtor's Estate, including the risk of conversion or dismissal.

(m) Risk of Dismissal or Conversion into a Chapter 7 Case.

If no plan can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interest of holders of Claims and Interests, the Chapter 11 Case may be dismissed altogether or converted to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. *See* Section 11.2 hereof, as well as the liquidation analysis attached hereto as **Exhibit B** (the "**Liquidation Analysis**"), for a discussion of the negative effects that a chapter 7 liquidation would have on the recoveries of holders of Claims and Interests.

(n) Risk of Re-solicitation of the Plan

There can be no assurance that the Bankruptcy Court will not require modifications to the Plan that would require re-solicitation of votes from Class 3, Class 4, and/or Class 5. Moreover, the Plan Proponents can make no assurances that the Debtor will receive the requisite acceptances to confirm the Plan if votes are re-solicited. Re-solicitation could delay confirmation of the Plan, and if the Plan is not confirmed, it is unclear what Distributions holders of Claims ultimately would receive with respect to their Claims in a subsequent plan or other proceeding.

(o) The Debtor May Object to the Amount or Classification of a Claim.

The Debtor and its successors reserve the right to object to the amount or classification of any Claim under the Plan. The estimated recoveries set forth in this Disclosure Statement cannot be relied on by any holder of an Allowed Claim where such Claim is or may become subject to an objection. Any holder of an Allowed Claim that is or may become subject to an objection may not receive its expected share of the potential distributions described in this Disclosure Statement.

(p) Failure to Identify Litigation Claims.

No reliance should be placed on the fact that a particular claim or Retained Cause of Action or projected objection to a particular claim is, or is not, identified in this Disclosure Statement. The Liquidating Trustee may seek to investigate, file, and prosecute claims and Retained Causes of Action, and may object to Claims, irrespective of whether this Disclosure Statement, the Plan, the Plan Supplement, or the exhibits thereto, identifies such Retained Causes of Action or objections to such Claims.

(q) Risks Related to Transition Services Agreement

In connection with the Sale, the Debtor entered into transition services agreements pursuant to which the Debtor provides or receives certain ongoing services related to its wind-down activities. The transition services that the Debtor receives are material to the Debtor's (and the Liquidation Trust's) ability to continue certain wind-down activities, maintain access to necessary information and records, and defend against and administer Talc Claims. There can be no assurance that these transition services agreements will not terminate early, or that any other party under the transition services agreements will not become unable or unwilling to perform their respective obligations thereunder, which could adversely affect the administration of the Debtor's estate and reduce recoveries available to creditors.

(r) Insufficient Cash to Continue in Chapter 11

The Debtor may not have sufficient Cash to continue operating in chapter 11 for an extended period of time. It is also unclear whether the Debtor will be able to obtain sufficient and incremental postpetition financing to fund administrative expenses through confirmation and consummation of a chapter 11 plan.

(s) Appointment of a Different Liquidating Trustee and/or Different Members of the Trust Advisory Committee for the Liquidation Trust

The initial Trust Advisory Committee shall have the functions, duties, and rights provided in the Trust Agreement. The initial members of the Trust Advisory Committee will be identified in the Plan Supplement. Each of the Trust Advisory Committee members shall serve in accordance with the terms and conditions contained in the Trust Agreement.

The initial Liquidating Trustee shall be identified in the Plan Supplement. Parties-in-interest, however, may object to the proposed Liquidating Trustee, or one or more of the proposed members of the Trust Advisory Committee. In that case, an alternate Liquidating Trustee and/or alternative proposed members of the Trust Advisory Committee 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 Liquidating Trustee or different Trust Advisory Committee members also could materially affect administration of the Liquidation Trust.

(t) Distributions Under the Trust Distribution Procedures

Talc Claims will be resolved pursuant to the VLT Documents, and their treatment will be based upon, among other things, estimates of the number, types, and amount of Talc Claims, the value of the VLT Assets, the liquidity of the Liquidation Trust, the Liquidation Trust's expected future income and expenses, and other matters. There can be no certainty as to the precise amounts that will be distributed by the Liquidation Trust in any particular time period or when Talc Claims will be resolved by the Liquidation Trust.

Holders of Talc Claims who (a) are Medicare beneficiaries and (b) receive a distribution from the Liquidation Trust may be required to reimburse Medicare for medical expenses paid on behalf of such holder.[22] Additionally, excessive legal fees may not qualify as a "procurement cost" within the meaning of 42 C.F.R. § 411.37(a)(1)(i), which may affect a holder of a Talc Claim's reimbursement obligations.

9.2 Other Considerations, Risk Factors, and Disclaimers

(a) Financial Information Disclaimer.

To the extent financial information is contained in this Disclosure Statement, the exhibits to this Disclosure Statement, or any document filed in connection herewith, such information is derived from the Debtor's books and records available at the time of preparation and has not been audited. Although the Debtor has used its reasonable business judgment to ensure the accuracy of

[22] *See* 42 U.S.C. § 1395y(b)(2)(B)(ii); 42 C.F.R. § 411.22.

any financial information provided in this Disclosure Statement, and the Debtor believes that any such information fairly reflects in all material respects the financial condition and results of the Debtor as of the date or time period stated, the Debtor is unable to warrant or represent that such information is without inaccuracies.

(b) Other Tax Considerations.

There are a number of material income tax considerations, risks, and uncertainties associated with the consummation of the Plan. Holders of Claims and Interests and other interested parties should read carefully the discussion of certain U.S. federal income tax consequences of the Plan set forth above.

(c) Environmental Liabilities Associated with Legacy Sites.

The Debtor (as successor-by-merger to RTVC) retains certain environmental liabilities associated with a limited number of legacy, non-talc sites arising out of historical operations conducted prior to the 2012 Restructuring Transactions, including sites subject to ongoing consent decrees, long-term groundwater monitoring obligations, and, at one site, active cost-recovery and contribution litigation under the Comprehensive Environmental Response, Compensation, and Liability Act. In addition, certain unliquidated environmental claims have been asserted against the Debtor related to environmental remediation matters. The ultimate cost of resolving these liabilities is difficult to predict with precision and may be affected by, among other things, the outcome of pending regulatory and litigation matters, the results of periodic reviews of remedial actions, the continued adequacy of applicable insurance coverage and third-party remediation trusts, and the scope of any obligations associated with the Debtor's retained mining claims described in Section 3.1 above. Although the Debtor does not believe these liabilities are material in the aggregate relative to the Debtor's other liabilities, there can be no assurance that the costs of resolving them will not increase or that additional environmental liabilities will not arise.

(d) The Plan Proponents Have 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 Plan Proponents have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

(e) No Representations Outside of this Disclosure Statement Are Authorized.

The information contained in this Disclosure Statement is for purposes of soliciting acceptances of the Plan and may not be relied upon for any other purposes. No representations concerning or related to the Debtor, the Liquidating Debtor, the Liquidation Trust, the Plan, or the Chapter 11 Case are authorized by the Bankruptcy Court or the Bankruptcy Code, 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 as contained in, or included with, this Disclosure Statement should not be relied upon in making a decision.

(f) Projections and Other Forward-Looking Statements Are Not Assured, and Actual Results May Vary.

Certain of the information contained in this Disclosure Statement is inherently forward-looking, and contains estimates and assumptions, which may ultimately prove incorrect, and projections, which may be materially different from actual future experiences. There are uncertainties associated with all projections, estimates, and assumptions, and they should not be considered assurances or guarantees of the amount of funds or the amount of Claims in the various Classes that might be allowed.

(g) No Legal or Tax Advice Is Provided by This Disclosure Statement.

The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each holder of a Claim or Interest 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.

(h) No Admission Made.

The information and statements contained in the Plan and this Disclosure Statement will neither constitute an admission of any fact or liability by any entity nor be deemed evidence of the tax or other legal effects of the Plan on the Debtor, Liquidating Debtor, holders of Claims or Interests, or any other parties in interest. In addition, no reliance should be placed on the fact that a particular litigation Claim is, or is not, identified in this Disclosure Statement.

X. CONFIRMATION OF THE PLAN

10.1 Requirements of Section 1129(a) of the Bankruptcy Code

(a) General Requirements.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the confirmation requirements specified in section 1129(a) of the Bankruptcy Code have been satisfied including, without limitation, whether:

(i) the Plan complies with the applicable provisions of the Bankruptcy Code;

(ii) the Debtor has complied with the applicable provisions of the Bankruptcy Code;

(iii) the Plan has been proposed in good faith and not by any means forbidden by law;

(iv) any payment made or promised by the Debtor 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 disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable;

(v) the Debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer, an affiliate of the Debtor participating in a Plan with the Debtor, or a successor to the Debtor under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of holders of Claims and Interests and with public policy, and the Debtor has disclosed the identity of any insider who will be employed or retained by the Liquidating Debtor, and the nature of any compensation for such insider;

(vi) with respect to each Class of Claims or Interests, each holder of an impaired Claim or impaired Interest has either 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 of the Plan, that is not less than the amount such holder would receive or retain if the Debtor was liquidated on the Effective Date of the Plan under chapter 7 of the Bankruptcy Code;

(vii) except to the extent the Plan meets the requirements of section 1129(b) of the Bankruptcy Code with respect to each rejecting Class (as discussed further below), each Class of Claims and Interests either accepted the Plan or is not impaired under the Plan;

(viii) except to the extent that the holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that Administrative Expense Claims and Other Priority Claims will be paid in full on the Effective Date, and that Priority Tax Claims will receive either payment in full on the Effective Date or deferred cash payments over a period not exceeding five (5) years after the Petition Date, of a value, as of the Effective Date of the Plan, equal to the Allowed amount of such Claims;

(ix) at least one Class of Impaired Claims has accepted the Plan, determined without including any vote for acceptance of the Plan by any insider holding a Claim in such Class;

(x) to the extent applicable, confirmation of the Plan is not likely to be followed by the liquidation, or the need for financial reorganization, of the Debtor or any successor to the Debtor under the Plan; and

(xi) all fees due and payable under section 1930 of title 28 have been paid or the Plan provides for the payment of all such fees on the Effective Date of the Plan.

(b) Best Interests Test.

(i) As noted above, with respect to each impaired class of claims and equity interests, confirmation of a plan requires that each such holder either: (i) accept the plan; or (ii) receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the value such holder would receive or retain if the Debtor was liquidated under chapter 7 of the Bankruptcy Code. This requirement is referred to as the "best interests test."

(ii) This test requires a bankruptcy court to determine what the holders of allowed claims and allowed equity interests in each impaired class would receive from a liquidation of the debtor's assets and properties in the context of a liquidation under chapter 7 of the Bankruptcy Code. To determine if a plan is in the best interests of each impaired class, the value of the distributions from the proceeds of the liquidation of the debtor's assets and properties (after subtracting the amounts attributable to the aforesaid claims) is then compared with the value offered to such classes of claims and equity interests under the plan.

(iii) Allowed Claims in Class 1 and 2 are not Impaired and therefore deemed to accept the Plan unanimously (thereby rendering the "best interests" test inapplicable to such Classes). Claims in Classes 3 (General Unsecured Claims), 4 (General Convenience Claims), and 5 (Talc Claims) are Impaired and entitled to vote on the Plan. Class 6 (Interests) will receive no recovery and is deemed to reject the Plan.

(iv) In a typical chapter 7 case, a trustee is elected or appointed to liquidate a debtor's remaining assets for distribution to creditors in accordance with the priorities set forth in the Bankruptcy Code. Generally, secured creditors are

paid first from the proceeds of disposition of the assets securing their liens. If any assets remain in the estate after satisfaction of secured creditors' claims from their collateral, administrative expenses are next to receive payment.

(v) Unsecured creditors are paid from any remaining assets, according to their respective priorities. Unsecured creditors with the same priority share in proportion to the amount of their allowed claims in relationship to the total amount of allowed claims held by all unsecured creditors with the same priority. Finally, equity interest holders receive the balance that remains, if any, after all creditors are paid.

(vi) The Plan Proponents believe that the Plan satisfies the "best interests" test because, among other things, asset recoveries expected to be available to holders of Allowed Claims under the Plan will be greater than the asset recoveries expected to be available in a chapter 7 liquidation, and the costs of a chapter 7 liquidation will exceed those of the Plan.

(vii) With respect to the costs of a chapter 7 liquidation versus the Plan, the Plan Proponents believe that the costs of a chapter 7 liquidation would equal or exceed the amounts paid to those professionals selected to administer the Liquidation Trust, lowering the amount available for distribution to creditors. The Plan is based on the Debtor's estimating categories of claims. A chapter 7 trustee would have to incur at least the time and expense of that process, including the work of experts and financial analysts. A chapter 7 liquidation would have the hurdles of a chapter 7 trustee both getting up to speed with such work and litigating, or otherwise resolving, the hundreds of individual claims that make up the categories underpinning the value allocations in the Plan. As of the filing of this Disclosure Statement, approximately 129 claims have been filed claiming an amount not less than $25.0 million.

(viii) The Plan Proponents also believe there is value in the fact that distributions under the Plan can be made to creditors earlier than in a chapter 7 liquidation. A chapter 7 trustee will hold, either for litigation costs or in a disputed claims reserve, all of the cash on hand of the Estate. For purposes of the Liquidation Analysis, the Debtor has estimated that it will take several years for a chapter 7 trustee to make distributions that would otherwise be made within the first 6 months to a year of implementation of the Plan.

(ix) The Debtor's Liquidation Analysis detailing these differences will be filed in the Plan Supplement.

(x) The Debtor notes that the Liquidation Analysis is speculative, as it is necessarily premised on assumptions and estimates, which are inherently subject to significant uncertainties and contingencies, many of which would be beyond the control of the Debtor. Other parties in interest may disagree with certain of the assumptions in the Liquidation Analysis and may challenge these assumptions

and/or that the Plan satisfies the "best interests" test in connection with confirmation of the Plan.

(xi) The Liquidation Analysis is solely for the purpose of disclosing to holders of Claims and Interests the effects of a hypothetical chapter 7 liquidation of the Debtor, subject to the assumptions set forth therein. There can be no assurance as to values that would actually be realized in a chapter 7 liquidation nor can there be any assurance that a bankruptcy court will accept the Debtor's conclusions or concur with such assumptions in making its determinations under section 1129(a)(7) of the Bankruptcy Code.

Given the factors outlined above, the Plan Proponents submit that the Plan satisfies the "best interests" test in Bankruptcy Code section 1129(a)(7).

(c) Feasibility.

As noted above, section 1129(a)(11) of the Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for financial reorganization. The Plan Proponents believe that the Debtor will be able to timely perform all obligations described in the Plan, and, therefore, that the Plan satisfies the feasibility requirement. The Plan Proponents believe that the VLT Operating Reserve, along with expected Post-Effective Date Cash, will be sufficient for the Liquidation Trust to carry out the purpose for which it was established.

(d) Additional Requirements for Non-Consensual Confirmation.

In the event that any impaired Class of Claims or Interests does not accept or is deemed to reject the Plan, the Court may still confirm the Plan at the request of the Debtor if, as to each impaired Class of Claims or Interests that has not accepted the Plan, the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such Classes of Claims or Interests, pursuant to section 1129(b) of the Bankruptcy Code. Both of these requirements are in addition to other requirements established by case law interpreting the statutory requirements.

(e) Unfair Discrimination Test.

The "unfair discrimination" test applies to Classes of Claims or Interests that are of equal priority and are receiving different treatment under the Plan. A chapter 11 plan does not discriminate unfairly, within the meaning of the Bankruptcy Code, if the legal rights of a dissenting Class are treated in a manner consistent with the treatment of other Classes whose legal rights are substantially similar to those of the dissenting Class and if no Class of Claims or Interests receives more than it legally is entitled to receive for its Claims or Interests. This test does not require that the treatment be the same or equivalent, but that such treatment is "fair."

The Plan Proponents believe the Plan satisfies the "unfair discrimination" test with respect to any dissenting Class of Claims. Classes of Claims of equal priority are receiving comparable treatment and such treatment is fair under the circumstances. Other parties in interest may disagree that the Plan satisfies the "unfair discrimination" test and may challenge this conclusion in connection with confirmation of the Plan.

(f) Fair and Equitable Test.

The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirements that (a) no class of claims receive more than 100% of the allowed amount of the claims in such class and (b) no junior class of claims or interests receive any recovery under the Plan until senior classes have received a full recovery on their claims. As to dissenting classes, the test sets different standards depending on the type of claims in such class. The Plan Proponents believe that the Plan satisfies the "fair and equitable" test because the holders of claims and equity interests that are junior to the claims of the dissenting class, if any, will not receive any property under the plan of liquidation. Accordingly, the Plan meets the "fair and equitable" test with respect to all Classes.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Plan Proponents have evaluated several alternatives to the Plan. After studying these alternatives, the Plan Proponents have concluded that the Plan is the best alternative and will maximize recoveries to parties in interest, assuming confirmation and consummation of the Plan. If the Plan is not confirmed and consummated, the alternatives to the Plan are: (i) the preparation and presentation of an alternative plan of liquidation; or (ii) a liquidation under chapter 7 of the Bankruptcy Code.

11.1 Alternative Plan of Liquidation

If the Plan is not confirmed, the Debtor (or if the Debtor's exclusive period in which to file a plan of liquidation has expired, any other party in interest) could attempt to formulate a different plan. The Plan Proponents, however, submit that the Plan, as described herein, enables the Debtor's creditors to realize the most value under the circumstances and that any alternative plan would likely result in reduced recoveries to the Debtor's creditors.

11.2 Liquidation Under Chapter 7 of the Bankruptcy Code or Dismissal

If no plan can be confirmed, the Chapter 11 Case may be dismissed, leaving holders of Claims and Interests eligible to pursue available non-bankruptcy remedies, or converted to a case under chapter 7 of the Bankruptcy Code in which a trustee would be elected or appointed to liquidate the assets of the Debtor for distribution to its creditors in accordance with the priorities established by the Bankruptcy Code. The effect that a chapter 7 liquidation would have on the recovery of holders of Allowed Claims and Interests is set forth in the Liquidation Analysis attached hereto as **Exhibit B**. As set forth above, other parties in interest may disagree with certain of the assumptions in the Liquidation Analysis and may challenge these assumptions and/or that the Plan satisfies the "best interests" test in connection with confirmation of the Plan.

The Plan Proponents believe that liquidation under chapter 7 would result in smaller distributions to creditors than those provided for in the Plan because of, among other things (i) the delay resulting from the conversion of the Chapter 11 Case and (ii) the additional administrative expenses associated with the appointment of a trustee and the trustee's retention of professionals who would have to familiarize themselves with the many legal and factual issues in the Chapter 11 Case.

XII. CONCLUSION AND RECOMMENDATION

The Plan Proponents believe the Plan is in the best interests of all stakeholders and urge the holders of Claims in the Voting Classes to vote in favor of the Plan.

Dated: September 15, 2026

By: */s/ Dean A. Vomero*
Name: Dean A. Vomero
Title: Chief Restructuring Officer

Vanderbilt Minerals, LLC

EXHIBIT A to the Disclosure Statement

Plan

EXHIBIT B to the Disclosure Statement

Liquidation Analysis

[TO COME]

EXHIBIT C to the Disclosure Statement

List of Insurance Policies
Products/Premises Coverage

Insurer	Policy Number	Policy Begin Date	Policy End Date
Continental Casualty Co	CL2680133R A	1/1/1956	1/1/1957
Indemnity Ins. Com. of North America	XCP1102 A	2/23/1956	1/1/1957
Continental Casualty Co	CL2680133R B	1/1/1957	1/1/1958
Indemnity Ins. Com. of North America	XCP1102 B	1/1/1957	1/1/1958
Continental Casualty Co	CL2680133R C	1/1/1958	1/1/1959
Indemnity Ins. Com. of North America	XCP1102 C	1/1/1958	1/1/1959
Continental Casualty Co	CL2680133R D	1/1/1959	1/1/1960
Indemnity Ins. Com. of North America	XCP1102 D	1/1/1959	1/1/1960
Continental Casualty Co	CL2680133R E	1/1/1960	1/1/1961
Indemnity Ins. Com. of North America	XCP1102 E	1/1/1960	1/1/1961
Continental Casualty Co	CL2680133R F	1/1/1961	1/1/1962
Indemnity Ins. Com. of North America	XCP1102 F	1/1/1961	1/1/1962
Continental Casualty Co	CL4292747R A	1/1/1962	1/1/1963
Indemnity Ins. Com. of North America	XBC1129 A	1/1/1962	1/1/1963
Continental Casualty Co	CL4292747R B	1/1/1963	1/1/1964
Indemnity Ins. Com. of North America	XBC1129 B	1/1/1963	1/1/1964
Continental Casualty Co	CL4292747R C	1/1/1964	1/1/1965
Indemnity Ins. Com. of North America	XBC1129 C	1/1/1964	1/1/1965
Continental Casualty Co	CL4298781R A	1/1/1965	1/1/1966
Continental Casualty Co	RDU9433526 A	1/1/1965	1/1/1966
Continental Casualty Co	CL4298781R B	1/1/1966	1/1/1967
Continental Casualty Co	RDU9433526 B	1/1/1966	1/1/1967
Insurance Company of North America	XPL9048 A	9/13/1966	9/13/1967
Continental Casualty Co	CL4298781R C	1/1/1967	1/1/1968
Continental Casualty Co	RDU9433526 C	1/1/1967	1/1/1968
Insurance Company of North America	XPL9048 B	9/13/1967	1/1/1968
Continental Casualty Co	CCP4138373R A	1/1/1968	1/1/1969
Continental Casualty Co	RDU9004526 A	1/1/1968	1/1/1969
Insurance Company of North America	XPL9101 A	1/1/1968	1/1/1969
Continental Casualty Co	CCP4138373R B	1/1/1969	1/1/1970
Continental Casualty Co	RDU9004526 B	1/1/1969	1/1/1970

Insurer	Policy Number	Policy Begin Date	Policy End Date
Insurance Company of North America	XPL9101 B	1/1/1969	1/1/1970
Continental Casualty Co	CCP4138373R C	1/1/1970	1/1/1971
Continental Casualty Co	RDU9004526 C	1/1/1970	1/1/1971
Insurance Company of North America	XPL9101 C	1/1/1970	1/1/1971
Continental Casualty Co	CCP8548748R A	1/1/1971	1/1/1972
Continental Casualty Co	RDU8046898 A	1/1/1971	1/1/1972
American Re-Insurance Co	MO371512 A	1/1/1971	1/1/1972
Continental Casualty Co	CCP8548748R B	1/1/1972	1/1/1973
Continental Casualty Co	RDU8046898 B	1/1/1972	1/1/1973
American Re-Insurance Co	MO371512 B	1/1/1972	1/1/1973
Continental Casualty Co	CCP8548748R C	1/1/1973	1/1/1974
Continental Casualty Co	RDU8046898 C	1/1/1973	1/1/1974
American Re-Insurance Co	MO371512 C	1/1/1973	1/1/1974
St. Paul Fire & Marine Ins Co	590XA0861 A	3/6/1973	3/6/1974
Fireman's Fund Insurance Co.	XLX1202581 A	3/6/1973	3/6/1974
Continental Casualty Co	CCP9024038R A	1/1/1974	1/1/1975
Continental Casualty Co	RDU1251453 A	1/1/1974	1/1/1975
American Re-Insurance Co	MO371512 D	1/1/1974	1/1/1975
St. Paul Fire & Marine Ins Co	590XA0861 B	3/6/1974	3/6/1975
Fireman's Fund Insurance Co.	XLX1202581 B	3/6/1974	3/6/1975
Continental Casualty Co	CCP9024038R B	1/1/1975	1/1/1976
Continental Casualty Co	RDU1251453 B	1/1/1975	1/1/1976
American Re-Insurance Co	MO371512 E	1/1/1975	1/1/1976
St. Paul Fire & Marine Ins Co	590XA0861 C	3/6/1975	3/6/1976
Fireman's Fund Insurance Co.	XLX1202581 C	3/6/1975	3/6/1976
Continental Casualty Co	CCP9024038R C	1/1/1976	1/1/1977
Continental Casualty Co	RDU1251453 C	1/1/1976	1/1/1977
American Re-Insurance Co	MO371512 F	1/1/1976	3/1/1977
Fireman's Fund Insurance Co.	XLX1202867	3/6/1976	3/6/1977
Continental Casualty Co	CCP3000112	1/1/1977	3/3/1977
Columbia Casualty Company	RDU1863573	1/1/1977	5/17/1977
Central National	CMZ14-09-72	3/1/1977	3/1/1978
Prudential Reinsurance Company	DXCDX0164	3/1/1977	3/1/1978
Hartford Accident & Indemnity Co.	10JPRB46801E	3/3/1977	3/3/1978
Aetna Casualty & Surety Company	01XN1345WCA	3/16/1977	3/3/1978

Insurer	Policy Number	Policy Begin Date	Policy End Date
American Re-Insurance Co	M1426095	3/16/1977	3/3/1978
Granite State Insurance Co	SCLD8093233	3/16/1977	3/3/1978
Midland Insurance Company	XL152357	3/16/1977	3/3/1978
Fireman's Fund Insurance Co.	XLX1267258	3/16/1977	3/16/1978
American Re-Insurance Co	M1665344	3/29/1977	3/1/1978
Prudential Reinsurance Company	DXCDX0183	3/29/1977	3/1/1978
Columbia Casualty Company	RDX3652404	5/17/1977	3/25/1978
London Companies Combined	77180531PNB21250DA	5/17/1977	3/3/1978
Hartford Accident & Indemnity Co.	10JPRB46805E	3/3/1978	3/2/1979
London Companies Combined	77180531PNB21250DB	3/3/1978	3/3/1979
Employers Mutual Casualty Co	MMO70049	3/3/1978	3/3/1979
Prudential Reinsurance Company	DXCDX0831	3/3/1978	3/3/1979
Puritan Insurance Company	ML651207	3/3/1978	3/3/1979
Aetna Casualty & Surety Company	01XN1710WCA	3/3/1978	3/3/1979
AIU Insurance Co	75100638	3/3/1978	3/3/1979
Fireman's Fund Insurance Co.	XLX1362869	3/3/1978	3/3/1979
Midland Insurance Company	XL148293	3/3/1978	3/3/1979
Prudential Reinsurance Company	DXCDX0832	3/3/1978	3/3/1979
Hartford Accident & Indemnity Co.	10JPRB46812E	3/3/1979	3/3/1980
Gibraltar Casualty Company	GMU00001	3/3/1979	3/3/1980
Employers Mutual Casualty Co	MMO70870	3/3/1979	3/3/1980
First State Insurance Co	927797	3/3/1979	3/3/1980
Puritan Insurance Company	ML651587A	3/3/1979	3/3/1980
AIU Insurance Co	75101015	3/3/1979	3/3/1980
Employers Mutual Casualty Co	MMO70871	3/3/1979	3/3/1980
Fireman's Fund Insurance Co.	XLX1369392	3/3/1979	3/3/1980
Gibraltar Casualty Company	GMX00023	3/3/1979	3/3/1980
Midland Insurance Company	XL147587	3/3/1979	3/3/1980
Puritan Insurance Company	ML651587 B	3/3/1979	3/3/1980
Hartford Accident & Indemnity Co.	10JPRB46819E	3/3/1980	3/3/1981
Gibraltar Casualty Company	GMU00034	3/3/1980	3/3/1981
Employers Mutual Casualty Co	MMO71320	3/3/1980	3/3/1981
First State Insurance Co	928335	3/3/1980	3/3/1981

Insurer	Policy Number	Policy Begin Date	Policy End Date
Puritan Insurance Company	ML652283 A	3/3/1980	3/3/1981
Aetna Casualty & Surety Company	01XN2550WCA	3/3/1980	3/3/1981
First State Insurance Co	928334	3/3/1980	3/3/1981
Gibraltar Casualty Company	GMX00501	3/3/1980	3/3/1981
Midland Insurance Company	XL706866	3/3/1980	3/3/1981
Puritan Insurance Company	ML652283 B	3/3/1980	3/3/1981
Hartford Accident & Indemnity Co.	10JPRP19401E	3/3/1981	3/3/1982
Gibraltar Casualty Company	GMU00063	3/3/1981	3/3/1982
Employers Mutual Casualty Co	MMO71741	3/3/1981	3/3/1982
First State Insurance Co	930771	3/3/1981	3/3/1982
Old Republic Insurance Co	OZX11634 A	3/3/1981	3/3/1982
Aetna Casualty & Surety Company	01XN2942WCA	3/3/1981	3/3/1982
First State Insurance Co	930770	3/3/1981	3/3/1982
Gibraltar Casualty Company	GMX00983	3/3/1981	3/3/1982
Midland Insurance Company	XL724205	3/3/1981	3/3/1982
Old Republic Insurance Co	OZX11634 B	3/3/1981	3/3/1982
Aetna Casualty & Surety Company	01XN2946WCA	3/3/1981	3/3/1982
American Insurance Co	XLX1481340	3/3/1981	3/3/1982
Government Employees Ins Co	GXU30002	3/3/1981	3/3/1982
Hartford Accident & Indemnity Co.	10XS102301	3/3/1981	3/3/1982
Midland Insurance Company	XL724206	3/3/1981	3/3/1982
National Union Fire Ins Co of Pittsburgh	9910545	3/3/1981	3/3/1982
Hartford Accident & Indemnity Co.	10JPRP19407E	3/3/1982	3/3/1983
Gibraltar Casualty Company	GMU00087	3/3/1982	3/3/1983
Employers Mutual Casualty Co	MMO73086	3/3/1982	3/3/1983
First State Insurance Co	937814	3/3/1982	3/3/1983
Old Republic Insurance Co	OZX14075 A	3/3/1982	3/3/1983
Aetna Casualty & Surety Company	01XN3310WCA	3/3/1982	3/3/1983
First State Insurance Co	930815	3/3/1982	3/3/1983
Gibraltar Casualty Company	GMX01571	3/3/1982	3/3/1983
Midland Insurance Company	XL725088	3/3/1982	3/3/1983
Old Republic Insurance Co	OZX14075 B	3/3/1982	3/3/1983
Aetna Casualty & Surety Company	01XN3311WCA	3/3/1982	3/3/1983
Fireman's Fund Insurance Co.	XLX1481679	3/3/1982	3/3/1983
Hartford Accident & Indemnity Co.	10XSFC4130	3/3/1982	3/3/1983

Insurer	Policy Number	Policy Begin Date	Policy End Date
Government Employees Ins Co	GXU30124	3/3/1982	3/3/1983
Midland Insurance Company	XL725089	3/3/1982	3/3/1983
National Union Fire Ins Co of Pittsburgh	9603081	3/3/1982	3/3/1983
Hartford Accident & Indemnity Co.	10JPRP19416E	3/3/1983	3/3/1984
Gibraltar Casualty Company	GMU00112	3/3/1983	3/3/1984
Employers Mutual Casualty Co	MMO73341	3/3/1983	3/3/1984
First State Insurance Co	EU935341	3/3/1983	3/3/1984
Twin City Fire Insurance Co	TXS102686 A	3/3/1983	3/3/1984
Aetna Casualty & Surety Company	01XN3660WCA	3/3/1983	3/3/1984
First State Insurance Co	EU935342	3/3/1983	3/3/1984
Gibraltar Casualty Company	GMX02136	3/3/1983	3/3/1984
Midland Insurance Company	XL748786	3/3/1983	3/3/1984
Twin City Fire Insurance Co	TXS102686 B	3/3/1983	3/3/1984
Aetna Casualty & Surety Company	01XN3661WCA	3/3/1983	3/3/1984
American Insurance Co	XLX1534791	3/3/1983	3/3/1984
Government Employees Ins Co	GXU30243	3/3/1983	3/3/1984
Hartford Accident & Indemnity Co.	10XSFC4130	3/3/1983	3/3/1984
Midland Insurance Company	XL748787	3/3/1983	3/3/1984
National Union Fire Ins Co of Pittsburgh	9607077	3/3/1983	3/3/1984
Hartford Accident & Indemnity Co.	10JPRP19422E	3/3/1984	3/3/1985
Gibraltar Casualty Company	GMU00138	3/3/1984	3/3/1985
First State Insurance Co	EU935363	3/3/1984	3/3/1985
Royal Indemnity Co	ED102718	3/3/1984	3/3/1985
Twin City Fire Insurance Co	TXS103552 A	3/3/1984	3/3/1985
Aetna Casualty & Surety Company	01XN4095WCA	3/3/1984	3/3/1985
First State Insurance Co	EU935364	3/3/1984	3/3/1985
Gibraltar Casualty Company	GMX02581	3/3/1984	3/3/1985
Midland Insurance Company	XL770191	3/3/1984	3/3/1985
Twin City Fire Insurance Co	TXS103552 B	3/3/1984	3/3/1985
Aetna Casualty & Surety Company	01XN4096WCA	3/3/1984	3/3/1985
American Insurance Co	XLX1620633	3/3/1984	3/3/1985
Harbor Insurance Company	HI178434	3/3/1984	3/3/1985
Hartford Accident & Indemnity Co.	10XS103279	3/3/1984	3/3/1985
National Union Fire Ins Co of Pittsburgh	9608534	3/3/1984	3/3/1985
Hartford Accident & Indemnity Co.	10JPRP19431E	3/3/1985	3/3/1986

Insurer	Policy Number	Policy Begin Date	Policy End Date
Pacific Employers Ins Co	XMO017535	3/3/1985	3/3/1986
First State Insurance Co	EU001565	3/3/1985	3/3/1986
Lloyds & London Companies	707NL6544B	3/3/1985	3/3/1986
Pacific Employers Ins Co	XCC012127	3/3/1985	3/3/1986
Aetna Casualty & Surety Company	01XN4846WCA	3/3/1985	3/3/1986
Integrity	XL210438	3/3/1985	3/3/1986
International Surplus Lines Insurance Company	XSI10231	3/3/1985	3/3/1986
London Companies Combined	707NL6545B	3/3/1985	3/3/1986
National Casualty Company	XU000233	3/3/1985	3/3/1986
Zurich International (Bermuda) Ltd	ZIB7248285C	3/3/1985	3/3/1986
Aetna Casualty & Surety Company	01XN4847WCA	3/3/1985	3/3/1986
Harbor Insurance Company	HI178655	3/3/1985	3/3/1986
Lloyds & London Companies	U53468	3/3/1985	3/3/1986
Zurich International (Bermuda) Ltd	Z1B7248985C	3/3/1985	3/3/1986

Non-Products/Premises Coverage

Insurer	Policy Number	Policy Begin Date	Policy End Date
Hartford Accident & Indemnity Co.	10CB46802E	3/3/1977	3/3/1978
Hartford Accident & Indemnity Co.	10CB46806E	3/3/1978	3/2/1979
Hartford Accident & Indemnity Co.	10CB46813E	3/3/1979	3/3/1980
Hartford Accident & Indemnity Co.	10CB46820E	3/3/1980	3/3/1981
Hartford Accident & Indemnity Co.	10CLRP19402E	3/3/1981	3/3/1982
Hartford Accident & Indemnity Co.	10CLRP19408E	3/3/1982	3/3/1983
Hartford Accident & Indemnity Co.	10CLRP19417E	3/3/1983	3/3/1984
Hartford Accident & Indemnity Co.	10CLRP19423E	3/3/1984	3/3/1985
Hartford Accident & Indemnity Co.	10CLRP19430E	3/3/1985	3/3/1986