

KEENE CREDITORS TRUST

February 13, 2006

[Attorney Name]
[Law Firm]
[Street Address]
[City, State, Zip]

Dear Prospective Claimant or Claimant Counsel,

The Keene Creditors Trust (“the Trust”) has been established under Chapter 11 of the Bankruptcy Code to resolve all asbestos claims for which the Keene Corporation (“Keene”) has legal responsibility. The Trust is set to begin the processing and payment of personal injury claims. The Trust is organized to provide fair, equitable and substantially similar treatment for all personal injury claims that may presently exist or arise in the future.

This letter is intended to summarize certain of the more salient issues related to filing a personal injury claim with the Trust. Nothing in this letter is intended to replace or modify the requirements of the Keene Asbestos Related Personal Injury Claims Resolution and Distribution Procedures (“the Procedures”). All claimants are encouraged to thoroughly read and understand the Procedures (enclosed) before filing a claim with the Trust.

Trust Currently Accepting Claims in Categories 1-5 Only:

The Trust currently has approximately \$64 million in assets available for the payment of personal injury claims. Under the seven Disease Categories set forth in the Procedures, the Trust projects the filing of 120,000 malignancy and over 1,000,000 non-malignancy claims. The Procedures allow the Trustees, with the consent of the Trust Advisory Committee (the “TAC”), to suspend payment in any disease category where “the resulting payments would be disproportionate to the cost of processing Claims.” The Trustees have determined that payment to holders of Claims in Disease Category 6 (Asbestosis/Pleural Disease, Level II) and Disease Category 7 (Asbestosis/Pleural Disease Level I) would result in payments that were either less than or substantially equal to the cost of processing these claims. Accordingly, with the consent of the TAC and after consultation with professional advisors, the Trustees have elected to suspend processing claims in Disease Categories 6 and 7.

Thus the Trust will not review or pay Category 6 and Category 7 claims at this time. Though the Trustees do not currently foresee likely events that would cause the Trust to pay these disease categories in the future, there is some possibility that unforeseen events may make it appropriate to pay claims in one or both of these disease categories at some

point in the future. Pursuant to the Procedures, the statute of limitations for claims in these Disease Categories will be deemed tolled until such time as the Trust lifts the suspension.

Payment Schedule:

Claims will be ordered for processing in the order in which they are received and for payment in the order in which they are liquidated.

Settlement Offers:

- Valid claims will be paid the following Scheduled Values, multiplied by the Payment Percentage that is effective at the time of liquidation.

Scheduled Values

Disease Category	Scheduled Disease	Scheduled Value
1	Mesothelioma	\$125,000
2	Lung Cancer, Level II	\$41,200
3	Lung Cancer, Level 1	None
4.	Other Cancer	\$21,500
5.	Severe Asbestosis Disease	\$41,200
6.	Asbestosis/Pleural Disease Level I	Suspended
7.	Asbestosis/Pleural Disease Level II	Suspended

Category 3 Claims are claims that do not meet the more stringent medical and/or exposure requirements of Lung Cancer, Level 2 (Category II) Claims. There is no Scheduled Value for these Category 3 Claims; rather they will be individually evaluated. The estimated anticipated average of the individual awards for a valid claim in this category is \$13,700 (which is subject to the applicable payment percentage).

The current payment percentage is 1.1% At this payment percentage, a Mesothelioma claim paid at scheduled value will receive \$1375, a Lung Cancer Level II claim or Severe Asbestosis Disease claim will receive \$263, and an Other Cancer claim will receive \$236. The payment percentage is subject to adjustment by the Trustees under the terms of the Procedures. Payment will be made as soon as practicable after receipt and review of the completed Claim Forms and receipt of a fully executed release.

Criteria for Categorization:

The Criteria that a Claim must meet to receive an offer for the Scheduled Value in the five Disease Categories currently being paid by the Trust is as follows:

Category 1: Mesothelioma

- a) Diagnosis of mesothelioma; and
- b) Credible evidence of exposure to asbestos products manufactured and/or sold by Keene.

Category 2: Lung Cancer, Level II

- a) Diagnosis of a primary lung cancer plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease¹;
- b) Six (6) months occupational exposure to Keene asbestos products plus Significant Occupational Exposure² to asbestos; and
- c) Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Category 3: Lung Cancer, Level I

- a) Diagnosis of a primary lung cancer;
- b) Occupational exposure to Keene asbestos products; and
- c) Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Lung Cancer, Level I (Category 3)

All Claims in this Disease Category will be individually evaluated. Category 3 Claims that show no evidence of either an underlying Bilateral

¹ Evidence of “Bilateral Asbestos-Related Nonmalignant Disease” (or “Markers”) means a report submitted by a qualified physician stating that the claimant has or had an x-ray reading of 1/0 or higher on the ILO scale, or bilateral pleural plaques or pleural thickening (or, if an ILO reading is not available, a chest x-ray reading that indicates bilateral interstitial fibrosis, bilateral interstitial markings, bilateral pleural plaques or bilateral pleural thickening consistent with, or compatible with, a diagnosis of asbestos-related disease).

² “Significant Occupational Exposure” is defined in Section 5.4(b)(2) of the Procedures.

Asbestos-Related Nonmalignant Disease or Significant Occupational Exposure are not expected to have any significant value, especially if the claimant is also a Smoker. In any event, no presumption of validity will be available for any Claims in this category.

Category 4: Other Cancer

- a) Diagnosis of a primary colorectal, laryngeal, esophageal, pharyngeal, or stomach cancer, plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease;
- b) Six months occupational exposure to Keene asbestos products plus Significant Occupational Exposure; and
- c) Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the other cancer in question.

Category 5: Severe Asbestosis Disease

- a) Diagnosis of asbestosis with ILO of 2/1 or greater, or asbestosis determined by pathology, plus (a) TLC less than 65% or (b) FVC less than 65% plus FEV1/FVC ratio greater than 65%;
- b) Six months occupational exposure to Keene asbestos products plus Significant Occupational Exposure to asbestos; and
- c) Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary condition in question.

How to qualify for payment:

To qualify for payment, a claimant must provide credible medical and exposure evidence and a submission deemed to be complete by the Trust.

Evidence Required to Establish Exposure to Keene Products:

In General, to qualify for any Disease Category, the claimant must present credible evidence of a minimum exposure to an asbestos-containing product manufactured or sold by Keene together with the additional exposure requirements set forth in the Categorization Criteria above.

Medical Evidence Required to Establish an Asbestos-Related Disease:

In General – All diagnoses of a Disease Category shall be accompanied by either:

- (i) a statement by the physician providing the diagnosis that at least ten years have elapsed between the date of first exposure to asbestos or asbestos-containing products and the diagnosis, or
- (ii) a history of the claimant’s exposure sufficient to establish a ten-year latency period.

For Disease Category 5 – All diagnoses of Severe Asbestosis Disease shall be based, in the case of a claimant who was living at the time the claim was filed, upon a physical examination of the claimant by a physician providing the diagnosis, an x-ray reading by a certified B-reader, and pulmonary function testing.

In the case of a claimant who was deceased at the time the claim was filed, all diagnoses of Severe Asbestosis Disease must be based upon:

- (i) a physical examination of the claimant by the physician providing the diagnosis, or
- (ii) pathological evidence of the asbestos-related disease, or
- (iii) an x-ray reading by a certified B-reader.

For Disease Categories 1-4 – All diagnoses of malignant asbestos-related disease shall be based upon either (1) a physical examination of the claimant by the physician providing the diagnosis, or (2) diagnosis of such malignant Scheduled Disease by a board-certified pathologist.

Releases:

A claimant accepting an offer must execute a full release for all malignancy payments, or a limited release for non-malignancy payments. Any claimant who receives a payment for a non-malignant injury may file a new *personal injury claim* for an asbestos-related malignancy that is *subsequently* diagnosed. Any additional payments to which such claimant may be entitled shall not be reduced by the amount of the prior payment for a non-malignant disease.

Trust Reevaluation:

If the Trust determines that a Claim does not meet Trust criteria for any payment or if a claimant disagrees with the Scheduled Disease determination made by the Trust, the claimant may dispute such determination and ask the Trust to reconsider its determination by providing written notice to the Trust as provided in Section 5.4(i) of the Procedures.

How to Initiate a Claim:

If a claimant is qualified and elects to file a claim, he or she must file a complete Claim Form and submit all supporting documentation indicated.

A sample of the Claim Form is enclosed and may be copied to provide forms for all claimants represented by a law firm. A claimant must submit the appropriate, fully completed Claim Form, including all supporting information referenced in the form. To expedite processing, claimants are encouraged to file electronically by following the instructions at the Claims Processing Facility website (www.cpf-inc.com).

Claims can be filed individually using the CPF eFile system. To do so, download the eFile Agreement (EFA) from the CPF website. Once that agreement is executed, an eFile user ID and password will be provided which can be used to login to the system. eFile supports the ability to enter new claims, cure deficiencies on existing claims and run a variety of reports on the status of filed claims.

Claims can be filed in-bulk using the eFile Bulk Intake tool. This tool supports the submission of multiple claims quickly and efficiently. For law firms that have claimant data already in electronic form, the Bulk Intake tool can be used to send many claims to the CPF at one time without having to retype them into eFile one claim at a time. The Bulk Intake tool also supports the submittal of supporting document images along with the claim records. Visit the CPF website for detailed instructions on how to use the Bulk Intake tool.

Finally, and most importantly, it is possible that claim data previously submitted to the Eagle Picher Industries Personal Injury Settlement Trust can be used to help expedite the preparation and review of claims for the Keene Creditors Trust. By using claim data already available in the CPF systems, the Facility can use prior review decisions to expedite the approval of Keene claims. In no situation will using existing data negatively impact a review; however, it is possible to dramatically reduce review time. For example, a mesothelioma diagnosis confirmed by the EPI Trust can be confirmed by the Keene Trust without re-reviewing the medical information. Taking advantage of this capability will minimize the time it takes to review a claim. For help on using existing information to submit Keene claims, contact the help desk at the CPF.

Where to Submit Claim Forms:

Electronic claim submissions, including document images, can be filed directly through the eFile system. There is no need to submit paper claims for eFile submissions.

All paper submissions to the Trust should be addressed to:

Claims Processing Facility, Inc.

East – West Tech Center

1771 West Diehl Rd., Suite 220

Naperville, IL 60563

Confidentiality of Claimants' Submissions:

The Trust will preserve the confidentiality of claimant submissions, and will disclose the contents thereof only in response to a valid subpoena of such materials. To the extent practicable, before complying with any subpoena, the Trust will provide notice to claimant or his or her attorneys. The Trust's confidentiality provisions do not prevent the Trust or any claims facility utilized by the Trust from using claimant submissions for the purpose of evaluating or reviewing other claims submitted to the Trust or claims facility

Statutes of limitation on filing a claim:

To be eligible for a place in the FIFO Processing Queue, a claim must meet either:

(i) For claims first filed in the tort system against Keene prior to the Petition Date (December 3, 1993), the applicable federal, state, and foreign statute of limitation and repose that was in effect at the time of the filing of the claim in the tort system, or

(ii) For claims not filed against Keene prior to December 3, 1993, the applicable statute of limitation that was in effect at the time of the filing with the Trust. However, the running of the relevant statute of limitation shall be tolled by any of the following:

- a. The actual filing of the claim against Keene prior to December 3, 1993, whether in the tort system or by submission of the claim to Keene pursuant to administrative settlement agreement;
- b. The filing of the claim against another defendant in the tort system prior to December 3, 1993, if the claim was tolled against Keene by an agreement or otherwise;
- c. The filing of a claim after December 3, 1993, but prior to July 31, 1996 (the Effective Date) against another defendant in the tort system; or
- d. The filing of a proof of claim prior to July 31, 1996 in Keene's Chapter 11 bankruptcy case.

If a Claim meets any of the tolling provisions described in the preceding sentence and the claim was not barred by the applicable statute of limitation at the time of the tolling event, it will be treated as timely filed if it is actually filed with the Trust by February 28, 2009. In addition, any claims that were first diagnosed after December 3, 1993, irrespective of the application of any relevant statute of limitation or repose, may be filed with the Trust within three years after the date of diagnosis or by February 28, 2009, whichever occurs later. Finally, the statute of limitations shall be deemed tolled for Disease Categories in which the Trust has suspended claims (currently Categories 6 and 7).

Suspended Doctors and Screening Companies:

Section 5.4(a)(ii) of the Procedures requires that before making any payment the Trust must have reasonable confidence that the medical evidence provided in support of the Claim is credible and consistent with recognized medical standards. The Trust has

determined, based on currently available information, that medical reports from certain doctors and screening companies may not meet the reliability standards of this section: **Accordingly until further notice the Trust will not accept medical reports from and will not process claims relying upon medical information from the following doctors and screening companies: Dr. James Ballard, Dr. Kevin Cooper (of Pascagoula Mississippi), Dr. Todd Coulter, Dr. Andrew Harron, Dr. Ray Harron, Dr. Glynn Hilbub, Dr. Barry Levy, Dr. George Martindale, Dr. W. Allen Oaks, Netherland & Mason, Inc., Respiratory Testing, Inc. and Occupational Diagnostics.**

Questions and Assistance:

If you have questions concerning these filing procedures or forms, you may reach the Trust in a variety of ways. The Trust has established an automated helpline and website to report on the status of Trust operations and respond to frequently asked questions. The helpline may be reached at 1-888-273-3345, and the Internet web site address is Website (www.cpf-inc.com).

Sincerely,

Keene Asbestos Creditors Trust Trustees

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