THE RAYTECH CORPORATION THIRD AMENDED AND RESTATED ASBESTOS PERSONAL INJURY SETTLEMENT TRUST DISTRIBUTION PROCEDURES

The Raytech Corporation Asbestos Personal Injury Settlement Trust Distribution Procedures ("***Procedures***") contained herein provide for satisfying all personal injury ("***PI***") and death claims caused by exposure to asbestos-containing products for which Raymark Industries, Inc. and its predecessors and affiliates ("***Raymark***") have legal liability that could be asserted against Raytech Corporation ("***Raytech***" or the "***Debtor***") (hereinafter for all purposes of these Procedures defined as "***PI Trust Claims***"), as provided in and required by the Raytech Corporation Second Amended Plan of Reorganization ("***Raytech Plan***"), the Raymark Amended Plan of Reorganization ("***Raymark Plan***"), and the Raytech Corporation Second Amended and Restated Asbestos Personal Injury Settlement Trust Agreement ("***PI Trust Agreement***"). The Raytech and Raymark Plans and the PI Trust Agreement establish the Raytech Corporation Asbestos Personal Injury Settlement Trust ("***PI Trust***"). The Trustees of the PI Trust ("***Trustees***") shall implement and administer these Procedures in accordance with the PI Trust Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Plan and the PI Trust Agreement.

SECTION I

Purpose and Interpretation

1.1 Purpose. These Procedures have been adopted pursuant to the PI Trust Agreement. They are designed to provide fair, equitable, prompt, and inexpensive treatment for all PI Trust Claims that may presently exist, or that may arise in the future, in substantially the same manner.

1.2 Interpretation. Nothing in these Procedures shall be deemed to create a substantive right for any claimant.

SECTION II

General Principles

2.1 Background. These Procedures have been adopted more than ten years after Raytech first filed for Chapter 11 relief, and after lengthy adversary proceedings and negotiations between and among Raytech, its creditors, and its shareholders. Nothing approaching full payment of all creditors, including asbestos claimants, is possible in light of the large number of PI Trust Claims that could be filed, both currently and in the future. The limited assets available in the Raytech estate can satisfy only a very small fraction of Raytech's liability for all PI Trust Claims. Accordingly, these Procedures have been designed to satisfy all such claims fairly, and as sensibly and equally as possible in light of the inadequacy of the Raytech assets, while minimizing administrative and processing costs that might further diminish the already meager amounts available to satisfy such claims.

2.2 Issues Addressed in Formulating these Procedures. A primary goal of these Procedures is to provide for fair, equitable, and substantially similar treatment for all asbestos-related tort claimants. At the same time, it must be recognized that many acutely sick and dying claimants have waited over a decade for a conclusion of this reorganization, and, moreover, that the assets of this estate are sufficiently small, and the number of outstanding severe claims against this estate are sufficiently large, as to warrant giving the sickest claimants expedited

treatment in the liquidation and payment of their claims. The Procedures seek to bridge these goals.

2.3 Resolution of Issues. To resolve the competing interests noted above, these Procedures divide PI Trust Claims into two levels. Level One Claims, defined in section 5.1(a) below, include all claims for asbestos-related malignancies and severely disabled asbestotics who meet certain defined criteria. Level Two Claims, defined in section 5.1(b) below, include all other PI Trust Claims. These Procedures provide that Level One Claims will be paid from assets of the PI Trust as of the Effective Date, including, without limitation, tax refunds to be turned over by Reorganized Raytech when received. Upon receipt of sufficient additional assets from other sources, such as from the resolution of Raymark's contribution claims against cigarette manufacturers, these Procedures provide that the Trustees will determine (i) whether to commence processing and payment of Level Two Claims as provided in section 5.2 below, and (ii) whether to adjust the Pro-rata Percentage applicable to both Level One and Level Two Claims. In the event the Pro-rata Percentage is increased in such circumstances, the PI Trust will make additional distributions to holders of Level One Claims so as to equalize the Pro-rata Percentage paid on those claims with that to be paid on new Level One and Level Two Claims.

2.4 Benefits of Approach. The approach described in section 2.3 above preserves the cardinal principle that all holders of asbestos-related claims and future demands are entitled under the law to pro-rata distributions on similar claims in substantially the same manner, while also expediting the liquidation and payment of the claims of the sickest claim holders. This approach also defers the PI Trust's need to spend substantial amounts to process the numerous

claims of the less-severely injured until such time (if any) as the PI Trust receives additional funds for their liquidation and payment.

2.5 Asbestos Personal Injury Contribution Claims. As set forth in section 5.5 below, any Asbestos Personal Injury Contribution Claims ("***Contribution Claims***"), as such term is defined in the Plan, shall be subject to the same categorization, evaluation, and payment provisions of these Procedures as all other PI Trust Claims.

SECTION III

Administration of these Procedures

3.1 The PI Trust Advisory Committee and the Legal Representative. Pursuant to the Plan and the PI Trust Agreement, these Procedures will be administered by the Trustees in consultation with a PI Trust Advisory Committee ("***TAC***") that represents the interests of holders of present PI Trust Claims, and a Legal Representative who represents the interests of holders of PI Trust Claims that will be asserted in the future. The Trustees shall obtain the consent of the TAC and the Legal Representative on any amendments to these Procedures pursuant to section 8.1 below, and on such other matters as are otherwise required below and in section 2.2(f) of the PI Trust Agreement. The Trustees shall also consult with the TAC and the Legal Representative on such matters as are provided below and in section 2.2(e) of the PI Trust Agreement.

3.2 Consent and Consultation Procedures. In those circumstances in which consultation or consent is required, the Trustees will provide written notice to the TAC and the Legal Representative of the specific amendment or other action that is proposed. The Trustees will not implement such amendment nor take such action unless and until the parties have

engaged in the Consultation Process described in sections 5.7(a) and 6.6(a), or the Consent Process described in sections 5.7(b) and 6.6(b), of the PI Trust Agreement, respectively.

SECTION IV

Pro-rata Percentage: Periodic Estimates

4.1 Uncertainty of Raytech's Personal Injury Asbestos Liabilities. As discussed above, there is inherent uncertainty regarding Raytech's total asbestos-related tort liabilities, as well as the total value of the assets available to pay such claims. Consequently, there is inherent uncertainty regarding the amounts that holders of PI Trust Claims will receive. To seek to ensure substantively equivalent treatment of all present and future claims, the Trustees must determine from time to time the percentage of full liquidated value that holders of PI Trust Claims will be likely to receive ("***Pro-rata Percentage***").

4.2 Computation of Pro-rata Percentage. The Trustees, in consultation with experts, advisors, and the TAC and the Legal Representative, and with the consent of the TAC and the Legal Representative, have established an initial Pro-rata Percentage of two percent (2%). No less frequently than once every three years, commencing with the first day of January 2009, the Trustees shall reconsider the determination of the Pro-rata Percentage to assure that it is based on accurate, current information, and the Trustees may, after such reconsideration, change the Pro-rata Percentage if necessary with the consent of the TAC and the Legal Representative. The Trustees shall also reconsider the determination of the Pro-rata Percentage in the interim if requested to do so by the TAC or the Legal Representative. The Trustees must base their determination of the Pro-rata Percentage on current estimates of the number, types,

and values of present and future Level One Claims and, when and if payable, Level Two Claims, as well as the value and liquidity of the assets then available to the PI Trust for their payment, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of full value to all holders of PI Trust Claims. When making these determinations, the Trustees shall exercise common sense and flexibly evaluate all relevant factors.

4.3 Payments to Claimants Based on Current Pro-rata Percentage. No holder of a PI Trust Claim shall receive a payment that exceeds the PI Trust's most recent determination of the Pro-rata Percentage multiplied against the relevant liquidated value of the claim. If a redetermination of the Pro-rata Percentage has been proposed in writing by the Trustees to the TAC and the Legal Representative, but has not yet been adopted, the claimant shall receive the lower of the current Pro-rata Percentage or the proposed Pro-rata Percentage. If, however, the proposed Pro-rata Percentage was the lower amount, but it is not subsequently adopted, the claimant may thereafter receive the difference between the lower proposed amount and the higher current amount. Conversely, if the proposed Pro-rata Percentage was the higher amount and it is subsequently adopted, the claimant may thereafter receive the difference between the lower current amount and the higher adopted amount.

SECTION V

Claims Types: Processing and Payment

5.1 Levels of Claims. There are two levels of PI Trust Claims, each consisting of categories of injuries, as defined below.

(a) Level One Claims. Level One Claims encompass four discrete categories of asbestos-related tort claims that meet the disease criteria set forth on Schedule A hereto. These are Category I – Malignant Mesothelioma; Category II – Lung Cancer; Category III – Other Cancer; and Category IV – Severely Disabling Asbestosis. The liquidated values for PI Trust Claims in these Categories are set forth on Schedule B hereto.

(b) Level Two Claims. Level Two Claims encompass two categories of asbestos-related tort claims. These are Category V – Other Asbestosis; and Category VI – Pleural Disease. The disease criteria and liquidated values for PI Trust Claims in these Disease Categories shall be established by the Trustees whenever it is determined pursuant to section 5.2 below that the PI Trust shall commence processing and paying Level Two Claims.

5.2 Processing and Paying Claims. Consistent with the principles set forth in section II above, the PI Trust will make initial distributions only to holders of Level One Claims from the assets of the PI Trust as of the Effective Date, including, without limitation, tax refunds to be turned over by Reorganized Raytech when received. Holders of Level Two Claims will be entitled to submit their claims for payment to the PI Trust in accordance with the provisions of this section only if the Trustees determine, with the consent of the TAC and the Legal Representative, that the PI Trust has received sufficient additional assets to begin processing and paying the claims of Level Two claimholders.

(a) Liquidated Claims.

(1) Processing. PI Trust Claims that have been liquidated by nonappealable judgment or settlement will be accepted as valid claims by the PI Trust.

Liquidated PI Trust Claims shall require no processing other than (i) verification of the holder's identity, (ii) certification as to diagnosis of a Level One Disease Category, (iii) payment of the claim, (iv) release of the PI Trust, and (v) assignment to the PI Trust of any proof of claim the holder may have against Raymark.

(2) Liquidated Values. The liquidated value of a Liquidated PI Trust Claim shall be the amount shown on Schedule B for the claim's Disease Category. This liquidated value shall be multiplied by the applicable Pro-rata Percentage to determine the amount to be distributed in respect of the claim.

(3) Marshalling. Holders of Liquidated PI Trust Claims that are secured by letters of credit, appeal bonds, or other security or sureties shall first exhaust their rights against any applicable security or surety before making a claim against the PI Trust. In the event that such security or surety is insufficient to pay the holder of a Liquidated PI Trust Claim the amount shown on Schedule B for the relevant Disease Category multiplied by the applicable Pro-rata Percentage, the PI Trust shall pay the claimant that deficiency.

(b) Unliquidated Claims. As a general matter, these Procedures provide a separate liquidated value for each Level One Disease Category described in Schedule A. These liquidated values, which are set forth on Schedule B, are based upon an evaluation of exposure, loss, damages, injury, and other factors determinative of claim value according to applicable tort law. These liquidated values shall be adjusted every three years to reflect increases or decreases in the Consumer Price Index in the interim. A claimant who holds an unliquidated PI

Trust Claim will receive payment equal to the liquidated value for the relevant Disease Category multiplied by the Pro-rata Percentage.

(1) Eligibility. To ensure that only valid claims receive payments through these Procedures, a claimant must provide the claim form described in section 6.2 below, which form shall include information demonstrating exposure to a Raytech asbestos-containing product sufficient to meet the exposure requirements set forth in section 7.2 below. The claimant shall also submit a medical diagnosis that could be introduced as evidence in the tort system that links exposure to asbestos to an asbestos-related disease that meets the criteria for one of the Level One Disease Categories set forth on Schedule A or for one of the Level Two Disease Categories as defined by the Trustees. If a holder of a non-malignant Disease Category IV, V, or VI claim is subsequently diagnosed with an asbestos-related cancer disease described in Category I, Category II, or Category III of Schedule A, that claimant may subsequently assert a second PI Trust Claim for such cancer disease, which shall be treated as a new claim for purposes of establishing the claimant's place in the FIFO queue. But any additional payment to which the claimant may be entitled with respect to the new cancer-related PI Trust Claim shall be reduced by any amount the claimant was paid in respect of the prior non-malignant claim.

(2) Rejection of Claim. The PI Trust can reject a PI Trust Claim when the information provided by the claimant is insufficient to determine whether the claim meets the requirements of one of the Disease Categories set forth on Schedule A, when the claim has novel, unusual, or unexpected combinations of asbestos exposures and claimed medical findings, or pursuant to section 7.4 below.

(3) Processing, Payment, and Liquidation. PI Trust Claims shall be processed and liquidated in FIFO order; provided, however, that no Level Two Claim will be received, processed, or liquidated until the Trustees have determined, with the consent of the TAC and the Legal Representative, that the PI Trust has received sufficient additional assets to enable it to begin processing and paying Level Two Claims. Payments to holders of PI Trust Claims generally will be made in the same order in which claims are liquidated. As provided, however, in sections 7.3 and 7.5 below, the Trustees may modify, with the consent of the TAC and the Legal Representative, the timing and the appropriate method for making payments. Such modifications may include a method for payment on an installment basis, in which case any installment payment shall be subject to the Pro-rata Percentage in effect at the time such installment payment is made.

(4) Resolution of Disputes Concerning Claims Classification. A holder of a PI Trust Claim may dispute only (1) the classification of the claim, or the refusal to classify a claim, in one of the Disease Categories described on Schedule A, and/or (2) the claim's eligibility to be classified as (a) an Extraordinary PI Trust Claim as described in section 5.3 below, (b) an Exigent Health Claim as described in section 5.4(a) below, or (c) an Extreme Hardship Claim as described in section 5.4(b) below. No other issues, particularly including the Pro-rata Percentage, the liquidated values set forth on Schedule B, or the resulting distribution amounts offered for each Disease Category, shall be subject to dispute.

A claimant who disputes the PI Trust's classification of the claim as described above may, within six months of the PI Trust's decision per section 6.3 below, request a Trustee

Conference (described in section 5.2(b)(5) below), or request to proceed through the alternative dispute resolution ("***ADR***") process pursuant to ADR procedures to be adopted by the PI Trust with the consent of the TAC and the Legal Representative. Only claimants who elect ADR, proceed to non-binding arbitration, and then reject their arbitral awards retain the right to commence a lawsuit against the PI Trust in the tort system pursuant to section 7.7 below.

(5) Trustee Conference Process. For purposes of this provision, the claimant will have the option of conferring with a Trustee or other qualified individual representing the Trustees ("***Trustee Designate***") as designated by the PI Trust. The process shall be initiated by the submission to the Trustee Designate of a copy of the claim, any documents submitted previously in support of the claim and the response of the PI Trust, a statement by the claimant of the classification requested for the claim consistent with the provisions of section 5.2(b)(4) above, and any further documentary evidence that the claimant or the PI Trust believes is relevant. If, based on review of the documentary evidence, the Trustee Designate does not determine the matter in favor of the claimant, then the claimant is entitled to a telephone conference with the Trustee Designate or a meeting with the Trustee Designate at a location designated by the Trustee Designate. In the event that the Trustee Designate is not a Trustee, the Trustee Designate may, but is not required to, confer with one or more of the Trustees at any point in the decision-making process. The Trustee Designate's decision as to the classification of the claim in a particular Disease Category and/or classification of the claim for extraordinary, exigent, or extreme hardship treatment shall be final.

(6) Full Releases. Holders of PI Trust Claims who receive a payment for the liquidated value of their claims shall execute and deliver to the PI Trust a release in a form satisfactory to the Trustees. Such claimants may not thereafter file a new PI Trust Claim except as provided in section 5.2(b)(1) above.

5.3 Extraordinary PI Trust Claims. In the extraordinary situation in which a claimant can satisfactorily demonstrate that his or her injury was at least 75% the result of exposure to an asbestos-containing product for which Raytech has legal responsibility, the claimant's PI Trust Claim may be classified as an Extraordinary PI Trust Claim. In processing such claims, the PI Trust may require the claimant to authorize release of information from other trusts or organizations established to satisfy personal injury claims based on exposure to asbestos-containing products (hereinafter "asbestos claims resolution organizations") regarding any claims filed by the claimant with such other trusts or organizations. A claimant who holds an Extraordinary PI Trust Claim may receive up to five times the liquidated value shown on Schedule B for the relevant Disease Category multiplied by the applicable Pro-rata Percentage.

5.4 Exigent Health and Extreme Hardship Claims. At any time, the Trustees may liquidate and pay certain PI Trust Claims that qualify as Exigent Health Claims and Extreme Hardship Claims, as defined in this section 5.4. These PI Trust Claims may be considered separately no matter what the order of processing otherwise would have been under these Procedures.

(a) Exigent Health Claims. A PI Trust Claim qualifies as an Exigent Health Claim if the claim meets the disease criteria set forth on Schedule A hereto for Category I –

Malignant Mesothelioma, or if the claimant provides a declaration or affidavit made under penalty of perjury by a physician who has examined the claimant within 120 days of the date of declaration or affidavit in which the physician states (i) that there is substantial medical doubt that the claimant will survive beyond six months from the date of the declaration or affidavit, and (ii) that the claimant's terminal condition is caused by a Category II, Category III, or Category IV disease.

(b) Extreme Hardship Claims. A PI Trust Claim qualifies for payment as an Extreme Hardship Claim if the Trustees, in their sole discretion, determine (i) that the claimant needs financial assistance on an immediate basis based on the claimant's expenses and all sources of available income, and (ii) that there is a causal connection between the claimant's dire financial condition and the claimant's Category I, Category II, Category III, or Category IV disease.

5.5 Contribution Claims. Contribution Claims asserted against the PI Trust based upon theories of contribution or indemnification may not be processed or paid by the PI Trust unless and until (i) such claim was filed by the applicable Bar Date established by the Plan, and (ii) the holder of such claim ("***Contribution Claimant***") establishes to the satisfaction of the Trustees that (a) the Contribution Claimant has paid in full the liability and obligations of the PI Trust to the direct claimant to whom the PI Trust would otherwise have had a liability or obligation under these Procedures, and (b) the direct claimant and the Contribution Claimant have forever released the PI Trust from all liability to the direct claimant. In no event shall any Contribution Claimant have any rights against the PI Trust superior to the rights of the related

direct claimant against the Trust, including any rights with respect to the timing, amount, or manner of payment. In addition, no Contribution Claim may be liquidated and paid in an amount that exceeds what the Contribution Claimant has actually paid the related direct claimant. The PI Trust shall not pay any Contribution Claimant unless and until the Contribution Claimant's aggregate liability for the direct claimant's claim has been fixed, liquidated, and paid fully by the Contribution Claimant by settlement (with an appropriate full release in favor of the PI Trust) or a Final Order (as defined in the Plan). In any case where the Contribution Claimant has satisfied the claim of a claimant against the PI Trust by way of a settlement, the Contribution Claimant shall obtain for the benefit of the PI Trust a release in form and substance satisfactory to the Trustees. The Trustees may develop and approve a separate proof of claim form for Contribution Claims.

Contribution Claims that have not been disallowed, discharged, or otherwise resolved by prior order of the Court shall be processed in accordance with procedures to be developed and implemented by the Trustees, which procedures (a) shall determine the validity and allowability of such claims consistent with section 502(e) of the Bankruptcy Code; (b) shall allow Contribution Claimants to elect a Trustee Conference or initiate ADR for resolution of disputes concerning disease categorization or other treatment of PI Trust Claims described in section 5.2(b)(4) above; and (c) shall otherwise provide the same processing and payment to the holders of such claims as the PI Trust would have afforded the holders of the underlying valid PI Trust Claims.

5.6 Statute of Limitations. Except as to holders of Asbestos Personal Injury Contribution Claims and except as to holders of any PI Trust Claims time-barred as of March 10, 1989, the Petition Date, the PI Trust shall have no rights and defenses based on state and federal statutes of limitations and repose against holders of PI Trust Claims. Notwithstanding section 8.1 hereof, this provision may not be amended.

5.7 Bar date. All PI Trust Claims first diagnosed prior to October 1, 2006 must be filed with the PI Trust within one year of the initial claims filing date or be forever barred. Any PI Trust Claim first diagnosed after October 1, 2006 must be filed with the PI Trust within one year of the initial claims filing date or three years from the date of diagnosis, whichever occurs later. Claimants may seek relief from the bar date upon a showing of good cause, which would be determined within the sole discretion of the Trustees.

SECTION VI

Claims Materials

6.1 Claims Materials. The PI Trust shall prepare suitable and efficient claims materials ("***Claims Materials***") for all PI Trust Claims, and shall provide such Claims Materials upon a written request for such materials to the PI Trust. The proof of claim form to be submitted to the PI Trust shall require the claimant to assert the highest Disease Category for which the claim qualifies at the time of filing. The proof of claim form shall also include a certification by the claimant or his or her attorney sufficient to meet the requirements of Rule 11(b) of the Federal Rules of Civil Procedure. The proof of claim form to be used by the PI Trust shall be developed by the PI Trust and submitted to the TAC and the Legal Representative

for approval; it may be changed by the PI Trust with the consent of the TAC and the Legal Representative.

6.2 Content of Claims Materials. The Claims Materials shall include a copy of these Procedures, such instructions as the Trustees shall approve, and a proof of claim form. If feasible, the forms used by the PI Trust to obtain claims information shall be the same or substantially similar to those used by other asbestos claims resolution organizations. With the approval of the claimant or the claimant's representative, instead of collecting some or all of the claims information from the claimant or the claimant's attorney, the PI Trust may obtain such information from electronic databases maintained by any other asbestos claims resolution organization. If requested by the claimant, the PI Trust shall accept information provided electronically. Except as otherwise provided herein, the claimant may, but will not be required to, provide the PI Trust with evidence of recovery from other defendants and asbestos claims resolution organizations.

6.3 Withdrawal or Rejection of Claim. A claimant may withdraw a PI Trust Claim at any time upon written notice to the PI Trust, and subsequently file another claim, but any such claim filed after withdrawal of an initial claim shall be given a FIFO date based on such subsequent filing. A claim will be deemed to have been withdrawn if the claimant neither accepts nor rejects, nor initiates a Trustee Conference or ADR, within six months of the PI Trust's offer of payment or rejection of the claim. Upon written request and a showing of good cause, the PI Trust may extend this period for an additional six months.

If a claimant fails to submit sufficient evidence in support of his or her claim at the time of filing with the PI Trust, resulting in the issuance of a notice of intake deficiency, and if evidence sufficient to cure the intake deficiency is not submitted within 90 days of the issuance of that notice, then the claim will be deemed rejected, with prejudice to re-filing. If a claim is not intake deficient but, after review by the PI Trust, the claimant receives a notice of review deficiency, and if evidence sufficient to cure the review deficiency is not submitted within 180 days of the issuance of that notice, then the claim will be deemed rejected, with prejudice to re-filing.

6.4 Filing Fees. Effective as of June 1, 2023, all PI Trust Claims filed with the PI Trust must be accompanied by a filing fee in the amount of $75.00 per claim. This filing fee shall be refunded in full to a claimant who receives and accepts payment of a settlement offer from the PI Trust with respect to such PI Trust Claim for which the filing fee was paid.

6.5 Confidentiality of Claimants' Submissions. All submissions to the PI Trust by the holder of a PI Trust Claim, or a proof of claim form and materials related thereto, shall be treated as made in the course of settlement discussions between the claimant and the PI Trust, and as intended by the parties to be confidential and protected by all applicable state and federal privileges, including, but not limited to, those directly applicable to settlement discussions. The PI Trust will make reasonable efforts to preserve the confidentiality of such claimant submissions, and shall disclose the contents thereof, with the permission of the claimant, only to another trust established for the benefit of asbestos personal injury claimants pursuant to section 524(g) and/or section 105 of the Bankruptcy Code or other applicable law, or to such other

persons as authorized by the claimant, or in response to a valid subpoena. Upon being served with any such subpoena, the PI Trust shall provide a copy to counsel for the claimant, or otherwise make a reasonable effort to provide notice to the claimant.

SECTION VII

General Guidelines for Liquidating and Paying Claims

7.1 Medical Evidence.

(a) 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.

(1) Disease Categories I – III. Diagnoses of a malignant asbestos-related disease (Disease Categories I – III) shall be based upon either (i) a physical examination of the claimant by the Qualified Physician[1] providing the diagnosis, or (ii) a diagnosis of such a malignant asbestos-related disease by a board-certified pathologist or by a pathology report prepared at or on behalf of a hospital accredited by the Joint Commission on Accreditation of Healthcare Organizations ("JCAHO"). In addition, a claimant must satisfy the specific medical criteria set forth in Schedule A for the Disease Category in which the claim is asserted.

(2) Disease Category IV. All diagnoses of a non-malignant asbestos-related disease (Disease Category IV) shall be based (i) in the case of a claimant who was living

at the time the claim was filed, upon (A) a physical examination of the claimant by the Qualified Physician providing the diagnosis, (B) an x-ray reading by a certified B Reader, and (C) pulmonary function testing;[2] and (ii) in the case of a claimant who was deceased at the time the claim was filed, upon (A) a physical examination of the claimant by the Qualified Physician providing the diagnosis, or (B) pathological evidence of the non-malignant asbestos-related disease, or (C) an x-ray reading by a certified B Reader.

(b) Credibility of Medical Evidence. Before making any payment to a claimant, the PI Trust must have reasonable confidence that the medical evidence provided in support of the claim is credible and consistent with recognized medical standards. The PI Trust may require the submission of x-rays, laboratory tests, medical examinations or reviews, other medical evidence, or any other evidence to support or verify the PI Trust Claim, and that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods, and procedures to assure that such evidence is reliable.

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[1] For all purposes of these Procedures and Schedule A hereto, a "**Qualified Physician**" is a physician who is board certified in one or more relevant specialized fields of medicine, such as pulmonology, radiology, internal medicine, or occupational medicine.

[2] "Pulmonary Function Testing" shall mean spirometry testing that is in material compliance with the quality criteria established by the American Thoracic Society ("**ATS**"), and is performed on equipment which is in material compliance with ATS standards for technical quality and calibration. PFT performed in a hospital accredited by the JCAHO, or performed, reviewed or supervised by a board-certified pulmonologist or other Qualified Physician shall be presumed to comply with ATS standards, and the claimant may submit a summary report of the testing. If the PFT was not performed in a JCAHO-accredited hospital, or performed, reviewed or supervised by a board certified pulmonologist or other Qualified Physician, the claimant must submit the full report of the testing (as opposed to a summary report); provided, however, that if the PFT was conducted prior to the Effective Date of the Plan and the full PFT report is not available, the claimant must submit a declaration signed by a Qualified Physician or other qualified party, in the form provided by the PI Trust, certifying that the PFT was conducted in material compliance with ATS standards.

7.2 Exposure Evidence.

(a) In General. To qualify for Disease Categories II – IV, the claimant must demonstrate a minimum of six-months exposure to Raytech Product/Operations (as defined in section 7.2(c) below), and, for any Disease Category, the claimant's exposure to Raytech Product/Operations must have occurred prior to December 31, 1982. In addition, the claimant must satisfy the specific exposure criteria set forth in Schedule A for the Disease Category in which the claim is asserted.

(b) Significant Occupational Exposure. "***Significant Occupational Exposure***" means employment for a cumulative period of at least five years in an industry and an occupation in which the claimant (i) handled raw asbestos fibers on a regular basis, (ii) fabricated asbestos-containing products so that the claimant in the fabrication process was exposed on a regular basis to raw asbestos fibers, (iii) altered, repaired, or otherwise worked with an asbestos-containing product such that the claimant was exposed on a regular basis to asbestos fibers, or (iv) worked on a regular basis in close proximity to workers engaged in the activities described in (i), (ii), and/or (iii).

(c) Exposure Evidence. The claimant must demonstrate meaningful and credible exposure to asbestos or asbestos-containing products manufactured, produced, distributed, sold, fabricated, installed, released, maintained, repaired, replaced, removed, or handled by Raytech and/or any entity for which Raytech is responsible, together with additional asbestos exposure requirements where provided ("***Raytech Product/Operations***"). The meaningful and credible exposure may be established by an affidavit of the claimant, by an

affidavit of a co-worker or family member in the case of a deceased claimant (provided that the PI Trust finds such evidence reasonably reliable), by invoices, construction, or similar records, by industry and occupation employed, or by other credible evidence at the discretion of the Trustees. The specific exposure information required by the PI Trust to process a claim is set forth on the proof of claim form used by the PI Trust. The PI Trust can also require the submission of other or additional evidence of exposure when it deems such to be necessary.

7.3 Discretion to Alter Order of Processing or to Suspend Payments. In the event that the PI Trust faces temporary periods of limited liquidity, the Trustees may, after consultation with the TAC and the Legal Representative, suspend the normal order of payment, and may temporarily limit or suspend payments altogether.

7.4 Costs Considered. Notwithstanding any provisions of these Procedures to the contrary, the Trustees shall always give appropriate consideration to the cost of investigating and uncovering invalid PI Trust Claims so that the payment of valid PI Trust Claims is not further impaired by such processes with respect to issues related to the validity of the medical evidence supporting a PI Trust Claim. The Trustees shall also have the latitude to make judgments regarding the amount of transaction costs to be expended by the PI Trust so that valid PI Trust Claims are not further impaired by the costs of additional investigation. Nothing herein shall prevent the Trustees, in appropriate circumstances, from contesting the validity of any claim against the PI Trust, whatever the costs, or from declining to accept medical evidence from sources that the Trustees have determined to be unreliable, as described in section 7.10 below.

7.5 Discretion to Vary Payments. Consistent with the provisions hereof, the Trustees shall proceed as quickly as possible to liquidate claims, and shall promptly make payments to holders of PI Trust Claims in accordance with these Procedures as funds become available and as claims are liquidated, while maintaining sufficient resources to pay future valid claims in substantially the same manner. Because the PI Trust's income over time remains uncertain, and because decisions about payments must be based on estimates that cannot be done precisely, they may have to be revised in light of experiences over time, and there can be no guarantee of any specific level of payment to claimants. The Trustees shall use their best efforts, however, to treat similar claims in substantially the same manner, consistent with their duties as Trustees, the purposes of the PI Trust, and the practical limitations imposed by the inability to predict the future with precision.

7.6 Punitive Damages. In determining the value of any liquidated or unliquidated PI Trust Claim, punitive or exemplary damages shall not be considered or allowed notwithstanding their availability in the tort system. Similarly, no punitive or exemplary damages shall be payable with respect to any claim litigated against the PI Trust in the tort system pursuant to section 7.7 below. Pre-judgment interest, post-judgment interest, interest on deferred payments, or any other type of interest, delay damages, or similar damages associated with PI Trust Claims shall not be paid or allowed.

7.7 Suits in the Tort System. If the holder of a disputed PI Trust Claim disagrees with the PI Trust's classification of the claim per section 5.2(b)(4) above, and if the holder has first submitted the claim to non-binding arbitration, the holder may file a lawsuit against the PI

Trust in the tort system. Any such lawsuit must be filed by the claimant in his or her own right and name, and not as a member or representative of a class, and no such lawsuit may be consolidated with any other lawsuit. All defenses (including, with respect to the PI Trust, all defenses that could have been asserted by Raymark or Raytech, except for defenses based on statutes of limitations and repose as provided in section 5.6 above) that exist under applicable law shall be available to both sides at trial; the PI Trust may, however, choose to waive any defense and/or concede any issue of fact or law. The death of a claimant while his or her lawsuit is pending against the PI Trust shall not reduce the value of that claimant's PI Trust Claim, notwithstanding any applicable state law to the contrary.

7.8 Effect of Judgments for Money Damages.

(a) PI Trust Claims. A holder of a PI Trust Claim who, in accordance with these Procedures, resorts to the legal system and obtains a final, nonappealable judgment for money damages shall be paid, when funds are reasonably available, the applicable Pro-rata Percentage of the liquidated value for the relevant Disease Category as set forth on Schedule B, from time to time amended. No pre- or post-judgment interest or any other type of interest, delay damages, or similar damages shall accrue on any such amount.

(b) Extraordinary PI Trust Claims. A holder of an Extraordinary PI Trust Claim who, in accordance with these Procedures, resorts to the legal system and obtains a final, nonappealable judgment for money damages will be paid, when funds are reasonably available, the appropriate Pro-rata Percentage of five times the liquidated value of the claim as set forth on

Schedule B, from time to time amended. No pre- or post-judgment interest or any other type of interest, delay damages, or similar damages shall accrue on any such amount.

7.9 Releases. The Trustees shall have the discretion to determine the form and nature of the releases given to the PI Trust in order to maximize recovery for claimants against other tortfeasors without increasing the risk or amount of claims for indemnification or contribution from the PI Trust. As a condition to making any payment to a claimant, the PI Trust shall obtain a general, partial, or limited release, as appropriate, in accordance with the applicable state or other law. If allowed by state law, the endorsing of a check or draft for payment by or on behalf of a claimant shall constitute such a release.

7.10 Auditing, Monitoring, and Verifying. The Trustees may conduct random or other audits to verify information submitted in connection with these Procedures. In the event that an audit reveals that invalid information has been provided to the PI Trust, the Trustees may penalize any claimant or claimant's attorney by disallowing the PI Trust Claim or seeking sanctions from the Bankruptcy Court, including, but not limited to, requiring the source of the invalid information to pay the costs associated with the audit and any future audit or audits, reordering the priority of payment of all affected claimants' PI Trust Claims, raising the level of scrutiny of additional information submitted from the same source or sources, or seeking the prosecution of the claimant or claimant's attorney for presenting a fraudulent claim in violation of 18 U.S.C. § 152. The PI Trust may develop methods for auditing the reliability of medical evidence, including independent reading of x-rays. If its audits show an unacceptable level of

reliability for medical evidence submitted by specific doctors or medical facilities, the PI Trust may refuse to accept medical evidence from such doctors or facilities.

7.11 Third-Party Services. Nothing in these Procedures shall preclude the PI Trust from contracting with, or joining as a shareholder or member of, another asbestos claims resolution organization to provide services to the PI Trust so long as decisions about the allowability and value of claims are based on these Procedures and the Disease Categories and liquidated values for such Disease Categories set forth on Schedules A and B, respectively.

SECTION VIII

Miscellaneous

8.1 Amendments. Except as provided in section 5.6 above, the Trustees may amend, modify, delete, or add to any of these Procedures (including, without limitation, amendments to conform these Procedures to advances in scientific or medical knowledge or other changes in circumstances), provided they first obtain the consent of the TAC and the Legal Representative pursuant to the Consent Process set forth in sections 5.7(b) and 6.6(b) of the PI Trust Agreement.

8.2 Severability. Should any provision contained in these Procedures be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of these Procedures.

8.3 Governing Law. These Procedures shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to conflict of law principles.

SCHEDULE A

SCHEDULED ASBESTOS PERSONAL INJURY CLAIMS CRITERIA

FOR EACH DISEASE CATEGORY

Disease Category I – Malignant Mesothelioma

The malignant mesothelioma category shall have the following requirements:

A physical examination of the claimant by a Qualified Physician providing the diagnosis of diffuse malignant mesothelioma with a primary site in the pleura or peritoneum, or reasonable equivalent clinical diagnosis in the absence of tissue for pathological diagnosis, or such a diagnosis by a board-certified pathologist; and

Meaningful and credible exposure to Raytech Product/Operations prior to December 31, 1982; and

Evidence of a ten-year latency period between the date of first exposure to asbestos or asbestos-containing products and the date of diagnosis.

Disease Category II – Lung Cancer

The lung cancer category shall have the following requirements:

A physical examination of the claimant by a Qualified Physician providing the diagnosis of primary lung carcinoma, or such a diagnosis by a board-certified pathologist; and

Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question; and

Evidence of an Underlying Asbestos-Related Disease;[3] and

Meaningful and credible exposure to Raytech Product/Operations for a minimum of six months prior to December 31, 1982; and

Evidence of a ten-year latency period between the date of first exposure to asbestos or asbestos-containing products and the date of diagnosis.

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[3] Evidence of an "Underlying Asbestos-Related 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 or compatible with a diagnosis of asbestos-related disease).

Disease Category III – Other Cancer

The other cancer category shall have the following requirements:

A physical examination of the claimant by a Qualified Physician providing the diagnosis of a malignant primary tumor originating in the larynx, pharynx, stomach, esophagus, colon, or rectum caused or contributed to by asbestos exposure, or such a diagnosis by a board-certified pathologist; and

Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the cancer in question; and

Evidence of an Underlying Asbestos-Related Disease; and

Meaningful and credible exposure to Raytech Product/Operations for a minimum of six months prior to December 31, 1982; and

At least five years of Significant Occupational Exposure; and

Evidence of a ten-year latency period between the date of first exposure to asbestos or asbestos-containing products and the date of diagnosis.

Disease Category IV – Severely Disabling Asbestosis

The severely disabling asbestosis category shall have the following requirements:

Meaningful and credible exposure to Raytech Product/Operations for a minimum of six months prior to December 31, 1982; and

At least five years of Significant Occupational Exposure; and

Evidence of a ten-year latency period between the date of first exposure to asbestos or asbestos-containing products and the date of diagnosis; and

In the case of a living claimant,

(i) An x-ray read by a qualified B reader of 2/1 or higher on the ILO scale, or pathological evidence of the non-malignant asbestos-related disease; and

(ii) TLC less than 65%, or FVC less than 65% and FEV1/FVC ratio greater than 65%); and

(iii) A physical examination by a Qualified Physician providing the diagnosis.

In the case of a deceased claimant,

(i) An x-ray read by a qualified B reader of 2/1 or higher on the ILO scale, or pathological evidence of a non-malignant asbestos-related disease; and

(ii) TLC less than 65%, or FVC less than 65% and FEV1/FVC ratio greater than 65%); and

(iii) If available, a physical examination by a Qualified Physician providing the diagnosis.

SCHEDULE B

SCHEDULED ASBESTOS PERSONAL INJURY CLAIMS

LIQUIDATED VALUE FOR EACH ASBESTOS-RELATED DISEASE CATEGORY

Category I – Malignant Mesothelioma	$125,000
Category II – Lung Cancer	$41,200
Category III – Other Cancer	$21,500
Category IV – Severely Disabling Asbestosis	$41,200