
EAGLE-PICHER PERSONAL INJURY SETTLEMENT TRUST

Melanie K. Impastato, Esq.
Executive Director

November 2, 2015

Dear Claimants' Counsel:

The Trustees have approved, effective November 1, 2015, an increase in the payment percentage from 28% to 33%.

The Claims Resolution Procedures require the Trustees to reconsider the payment percentage at least every two years, but are permitted to reset it more frequently where necessary to comply with the requirement of treating present and future claimants as equitably as reasonably possible. The Trustees reset the payment percentage to 28% in January 2013.

The review of the payment percentage is based on the evaluation of updated information regarding claim filing trends, settlement values, asset performance, processing costs and other factors that determine what fraction of Eagle-Picher settlement value of each allowable claim the Trust can afford to pay. The Trustees relied on advice from their actuarial and financial experts, who have a long history of working with trusts similar to ours, as well as on the advice and consent of our Trustees Advisory Committee.

The increase in the payment percentage is primarily the result of two factors. The first is a substantially reduced projection of claim filings over the remaining life of the Trust. The Trust's actuarial experts have projected future claim filings at a level that is approximately a third of the previous actuarial projection, due to the changing landscape of asbestos personal injury litigation and the fact that the Trust itself has seen a steady and continued drop in the rate of new claim filings over the past two years. The second factor is a better than projected asset position due to the performance of Trust investments over the past two years.

Even with continued good management of Trust assets, the Trust will never be able to pay more than a percentage of the fair value of individual claimants' claims. The Trustees and management are pleased that the payment percentage has increased, but there is no guarantee that the new level can be maintained, since much depends on the economy and on the future rate of filings of valid claims.

We look forward to continuing to work with you. Should you have any questions, please contact Teena Mandele (630-281-6501) or me (630-281-6522) at the Claims Processing Facility.

Sincerely Yours,



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ADMINISTRATIVE OFFICE:**
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BOARD OF TRUSTEES:
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Stephen A. Madva
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