

UNR ASBESTOS-DISEASE CLAIMS TRUST

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Dear Claimant's Counsel

Since April 2013, the Trust has been in a claim processing moratorium. The purpose of the moratorium was to allow the Trustees and the TAC to examine the Trust's increase in malignancy claim filings and to review Trust payment procedures in consultation with the Trust's actuarial expert to determine necessary changes to the Payment Percentage.

Following completion of this study, the Trust determined that the minimal remaining net claimant's equity, balanced against projected increased filings and operating costs, make it necessary to arrange to wind down the Trust, as provided for in the Trust Agreement [The "Agreement"].

As previously announced, the Trust filed a Motion for Instruction [The "Motion"] with the Bankruptcy Court. On June 25, 2014, the Court approved the Motion. The Motion and the Court's Order are available for review at www.cpf-inc.com.

Effective October 15, 2014, the moratorium is lifted and claim processing will resume in accordance with that Order. In brief, the following sets forth how future claim processing will be handled until the Trust closes:

- A copy of the **Second Amended Claims Resolution Procedures [CRP]**, which more clearly defines the intent, purpose, and process of closing the Trust, along with revised medical and exposure proof requirements, are available for review and copying at www.cpf-inc.com.
- Options 1 and 3 have been eliminated as options of processing. Option 1 has been suspended since 2002 and claimants may no longer defer consideration of claims. All claims filed will now be subject to Individualized Review (previously referred to as Option 2).
- A paper filing is still required for UNR Trust claims. The current Proof of Claim [POC] form along with a checklist for its completion can also be viewed and copied at www.cpf-inc.com.
- Unless future circumstances dictate otherwise, the Trust will cease operating in or about 2019 and will accept no further claim filings after December 31, 2018.
- Effective October 15, 2014, the Payment Percentage will be raised to 1.38% for new claim filings and for those claims filed and approved before or during the moratorium but which did not have offers extended. As Trust procedure requires, the Payment Percentage will continue to be reviewed periodically, for any changing circumstances, until the Trust ceases operations.
- As in the recent past, the revised Payment Percentage is based on the assumption that only malignant claims will be filed, with non-malignant values still lower than the non-refundable filing fee.

- The non-refundable filing fee increased to \$150.00 during the moratorium and is now effective. As a reminder, any claim filed without the required fee is NOT considered filed and the statute of limitations will continue to run until the fee is received. A claim filed timely in the tort system, is not considered timely filed with the Trust until the claim is actually filed with the Trust.

HANDLING OF THOSE CLAIMS IN PROCESS DURING THE MORATORIUM

Offers made before or during the Moratorium:

Claims with offers made that have not been accepted by 180 days from the date of the last release are considered withdrawn and closed without payment. A request to reopen any such claim will be considered for good cause and, if accepted will be paid by the Trust in accordance with the terms outlined in that release and at the payment percentage in effect at the time of the request, but no greater than 0.82%.

Claims reviewed and approved before the moratorium but no offer has been made.

Claims reviewed and approved before the moratorium, but which have not had offers made, will not be re-reviewed under the new criteria but will be validated as originally reviewed and offers and releases will be forthcoming shortly. If you have any such claims, a list of those is attached.

Claims filed before or during the moratorium which have not been reviewed.

Claims filed before or during the moratorium that have not been reviewed, will be reviewed under the new criteria. Any claim in this category that cannot meet the new criteria will be disallowed and if such claim cannot be perfected within the 60 days allowed, it will be considered withdrawn and the filing fee will be returned. A list of each law firm's claims in this category so disallowed will be sent to each law firm under separate cover.

For any claim in this category that is re-filed, the original filing date will be considered for statute of limitations purposes if it is re-filed within 60 days of the expiration date of the disallowance notice and is accompanied by the \$150.00 non-refundable filing fee.

Option 3 claims

Since Option 3 has now been eliminated as an option to defer consideration of a claim, those claims currently in Option 3, will be considered withdrawn 90 days from the date of this notice and the filing fee will be returned. If you have any Option 3 claims on file, a list is attached. If you do have such, but wish that claim to be reviewed, please so advise the Trust within 90 days from the date of this notice, but once reviewed, the filing fee will not be returned. For any claim in this category that is withdrawn and later refiled, the original filing date will be considered for statute of limitations purposes if it is re-filed within 90 days of the date of the withdrawal and is accompanied by the \$150.00 non-refundable filing fee.

A copy of this notice is also available for review at www.cpf-inc.com.

If you have any questions, please call or write me directly.

Yours very truly,

