

EAGLE-PICHER INDUSTRIES, INC.
PERSONAL INJURY SETTLEMENT TRUST

ALTERNATIVE DISPUTE RESOLUTION PROCEDURES

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I. OVERVIEW

These rules are applicable to all Alternative Dispute Resolution (“ADR”) proceedings involving claims against the Eagle-Picher Industries Personal Injury Settlement Trust (the “EPI Trust” or the “Trust”). No claimant may enter the tort system without having first exhausted these ADR Procedures.

The purpose of Evaluation by Document (binding and non-binding) is to resolve differences between the Trust and the claimant based only on the documents that have been previously submitted to the Trust by the claimant and upon the documents relied upon by the Trust to make a settlement offer to the claimant or to disallow the claim. The purpose of Binding Arbitration, if that is elected by the claimant, is to obtain a binding resolution of the claim based on the same material as specified above plus the testing of the claimant and the oral argument of the Trust and claimant’s counsel. The evaluation and arbitration procedures are referred to together as “ADR Procedures.”

If the Trust rejects an individualized review claim (“IRC”), or a claimant rejects an IRC final evaluation offer and wishes to pursue the claim, the claimant may do so through these ADR Procedures. To initiate any form of ADR, the claimant must make a written request to the Trust.

The claimant must first proceed through either Non-Binding or Binding Evaluation by Document. The claimant need not sign the Election Agreement choosing Non-Binding Evaluation; an attorney's signature is sufficient. If a Non-Binding Evaluation by Document does not result in settlement, a claimant may elect Binding Evaluation by Document or Binding Arbitration or certify for entry into the tort system subject to Section 7.8 of the EPI Trust’s Asbestos Injury Claims Resolution Procedures (the “Claims Resolution Procedures”). By signing the Election Agreement and electing a binding ADR proceeding the claimant and the Trust waive their respective rights to seek a trial as set forth in Section 7.8 of the Claims Resolution Procedures.

The claimant who wishes to pursue a claim has a series of choices to make, as summarized below:

1. FIRST STEP (mandatory)

Either

A. NON-BINDING EVALUATION BY DOCUMENT
(attorney may sign)

Result is non-binding. Either party may elect to proceed to second step.

Or

B. BINDING EVALUATION BY DOCUMENT
(claimant and attorney must sign)

Result is binding; no further steps

2. SECOND STEP (after Non-Binding Evaluation by Document)

Either

A. BINDING EVALUATION BY DOCUMENT
(claimant and attorney must sign)

Result is binding; no further steps

Or

B. BINDING ARBITRATION
(claimant and attorney must sign)

Result is binding; no further steps

Or

CERTIFICATION ENTRY INTO THE TORT SYSTEM

(subject to the payment percentage, the limitation on types of damages, and the limitations on timing of payment set forth in the Claims Resolution Procedures)

If an attorney or other agent represents the claimant, both the attorney and the claimant must sign any Election Agreement choosing Binding Evaluation by Document or Binding Arbitration. The attorney or agent may not sign in place of, or for, the claimant unless the claimant is incapacitated, incompetent or deceased and the attorney or agent has been designated legally to act on the claimant's behalf. An attorney designated legally to act on the claimant's behalf must provide documentation of such legal designation.

Two alternative panels of neutrals -- a panel of paid arbitrators and a pro bono panel composed of asbestos litigation plaintiff attorneys -- have been selected to implement the ADR options.

The time limits included in these ADR Procedures are to be strictly enforced. The Trust's ADR administrator may depart from the timetables established in these Procedures in scheduling ADR evaluation proceedings insofar as the ADR Administrator deems necessary

so as not to create an undue burden on the neutral evaluation panels. If it is necessary to delay scheduling of the ADR proceedings, the Trust shall notify Claimant of such delay, and provide Claimant with the option to elect the paid arbitration panel jointly maintained by three asbestos trusts. Evaluations shall only be scheduled on business days on which the Claims Processing Facility, Inc., the cooperative facility established by the EPI Trust and the UNR Asbestos-Disease Claims Trust that processes and reviews EPI asbestos injury claims, is open for business.

These ADR Procedures shall not be construed as imparting to any claimant any substantive or procedural rights beyond those conferred by the Third Amended Consolidated Plan of Reorganization of Eagle-Picher Industries, Inc. and the Trust Agreement and Claims Resolution Procedures approved by the United States Bankruptcy Court for the Southern District of Ohio on November 18, 1996, as they may be amended from time to time.

II. RULES GOVERNING EVALUATION BY DOCUMENT

A. Election

A claimant who wishes to take advantage of these ADR Procedures must send to the Trust's ADR Administrator a written request for ADR within (1) [90] days of the mailing by the Trust of a final disallowance of an IRC claim or of (2) correspondence finally rejecting reconsideration of the Trust valuation of an IRC claim or of (3) within [30] days of the mailing of a 2nd Final Disallowance Notice of an IRC claim or of (4) within [15] days of the date of the mailing of the notice by the Trust that the response to the 2nd Final Disallowance was insufficient.

In addition to Claimant's written request to pursue an alleged asbestos personal injury claim in the Trust's ADR program, Claimant shall submit a \$250.00 processing fee per individual claim request for ADR. If a written request for ADR fails to include the \$250.00 processing fee, the Trust *will not move* forward with initiation of ADR for the claim. The processing fee shall be made payable to the Eagle-Picher Industries Personal Injury Settlement Trust. Upon receipt of the processing fee the Trust shall move forward with ADR pursuant to this Section. If Claimant fails to submit the processing fee within 90 days of the written request for ADR the claim shall be withdrawn from ADR, in case of a disallowance claim the disallowance shall stand, in case of a value dispute the last release shall be reprinted.

If a binding award in favor of the Claimant is issued— which shall include any non-binding award that is accepted and not appealed by the Trust — the Trust shall issue a check for \$250.00 in addition to the settlement payment made by the Trust.

Within 30 days of receipt of a claimant's written request to proceed with ADR, the EPI Trust will send the claimant an Evaluation by Document Election Agreement (the "Election Agreement") permitting the claimant to select between binding and non-binding evaluation by document and to choose the type of neutral (paid arbitrator or pro bono plaintiff's attorney) desired. (See Exhibit 1, Election Agreement, forms 1a and 1b). The Trust will also send a form of Affidavit of Completeness (Exhibit III).

1. The claimant must use the Election Agreement to choose to proceed through one of two initial steps:
 - a. Non-Binding Evaluation by Document:
or
 - b. Binding Evaluation by Document. If the claimant chooses this step, the result will be binding and will end the process.

The claimant or his or her attorney shall personally sign the Election Agreement in the case of Non-Binding Evaluation. Both must sign in the case of Binding Evaluation.

2. The claimant may select either of two types of neutral evaluator:
 - a. a Pro Bono evaluator from a panel of asbestos litigation plaintiff attorneys who have volunteered to serve the Trust at the request of the Trustee Advisory Committee. Pro Bono assignments will be made on a rotating basis within regions.

or
 - b. an arbitrator from a panel of asbestos-disease claims trust arbitrators selected and trained to review disputes. The panel is jointly maintained by the EPI Trust, the UNR Asbestos-Disease Claims Trust, and the Claims Resolution Management Corporation (the "CRMC"). Arbitrator assignments will be made on a rotating basis within regions by the CRMC ADR Administrator.

B. Election Time Limits

1. The claimant must sign the Election Agreement and the Affidavit of Completeness verifying that all information to be considered by the arbitrator or pro bono evaluator in evaluation of the claim has been provided to the Trust. The claimant¹ must return the signed Election Agreement and Affidavit of Completeness to the EPI Trust within 90 days of the date of the correspondence from the EPI Trust enclosing such forms. The claim will not proceed until the EPI Trust has received a completed Election Agreement and Affidavit of Completeness from the claimant. If the Trust does not

¹ Where a claimant is represented by counsel, references in these rules to communication with "the claimant" shall mean communication with the claimant's attorney. Similarly, where the rules require signature of the claimant, the claimant's attorney may sign for the claimant except in case of (1) an Election Agreement electing Binding Evaluation by Document or Binding Arbitration and (2) a Release.

receive an executed Election Agreement and Affidavit of Completeness postmarked within 90 days of the Trust's mailing of the forms, the claimant will be deemed to have permanently waived the claimant's right to seek re-evaluation of the claim. If the EPI Trust has previously made an offer on the claim, the EPI Trust will reissue a release reflecting settlement in the amount of the last offer. If the claim has been disallowed, the disallowance will be final and unreviewable.

2. After receiving the signed Election Agreement and Affidavit of Completeness, the Trust shall review and sign the Election Agreement, or notify the claimant that it will not sign, within 15 days of receipt of the Election Agreement. If the Claimant submits a completed Election Agreement with the Claimant's written request to proceed to ADR and this is the *first* written notice the Trust has received indicating claimant's wish to proceed to ADR, then the Trust shall have 45 days to sign or notify the claimant that it will not sign the Election Agreement. At the time the Trust signs and returns the executed Election Agreement to the claimant, the Trust shall send a complete copy of all materials submitted to the Trust by the claimant, all factual information in the Trust's file, if any, gathered by the Trust from other sources, and a completed Affidavit of Accuracy (Exhibit IV) to the claimant.

C. Selection of the Arbitrator or Pro Bono Evaluator

Within 30 days of the date the EPI Trust notifies the claimant of the Trust's consent to the Election Agreement, the individual pro bono panelist or arbitrator shall be chosen.

If either the claimant or the Trust so requests, a Pro Bono Evaluation by Document shall be done anonymously so that the identity of the claimant's attorney is not known to the Pro Bono evaluator and the identity of the Pro Bono evaluator is not known to the claimant and the claimant's attorney.

D. Disclosure of Conflicts

1. Pro Bono Panelist: Unless the pro bono evaluation is done anonymously, any person appointed as a pro bono evaluator shall disclose to the EPI Trust ADR Administrator any circumstance likely to affect impartiality, including any bias or any financial or personal interest in the outcome of the dispute or any past or present relationship with the parties or their representatives. Upon receipt of such information from the pro bono evaluator or another source, the EPI Trust ADR Administrator shall select a new pro bono evaluator.
2. Arbitrator: Any person appointed as an arbitrator shall disclose to the CRMC ADR Administrator any circumstance likely to affect impartiality, including any bias or any financial or personal interest in the result of the outcome or any past or present relationship with the parties or their representatives. Upon receipt of such information from the arbitrator or another source, the CRMC ADR Administrator shall select a new arbitrator.

E. Evaluation by Document -- Evidence

The documents and information that the arbitrator or pro bono evaluator may consider for an Evaluation by Document shall be limited to the following:

1. The documents in Trust's file forwarded to the pro bono evaluator or to the CRMC ADR Administrator for the arbitrator.
2. The Election Agreement
3. The claimant's Affidavit of Completeness and the Trust's Affidavit of Accuracy.
4. The arbitrator or pro bono evaluator shall be permitted to direct written inquiries to the parties in order to clarify the written submissions. The pro bono/arbitrator may, at his or her discretion, hold a telephone conference with counsel for the parties. For pro bono panelists, any written inquiries or requests for a conference call should be made through the EPI Trust ADR administrator. For arbitrators, the written inquiries should be made or the conference call placed through the CRMC ADR administrator. Any written response to an arbitrator or pro bono evaluator's written inquiry may not introduce factual matter not already contained in the documents submitted to the Claims Processing Facility, Inc. and included in the Trust's claim file. The evaluator shall disregard any

argument or information that does not comply with this rule.

5. The written arguments of the claimant and the Trust.
 - a. The claimant and the Trust shall simultaneously submit their written argument in duplicate to the pro bono evaluator or to the CRMC ADR administrator within 30 days of the postmark date of the notice that the independent evaluator has been selected.
 - b. The argument shall not exceed 10 double spaced typewritten pages. In order to preserve anonymity in a Pro Bono evaluation, the name of counsel should not be mentioned in an anonymous evaluation.
 - c. THE ARGUMENT MAY NOT INTRODUCE FACTUAL MATTER NOT CONTAINED IN THE DOCUMENTS SUBMITTED TO THE CLAIMS PROCESSING FACILITY, INC. AND INCLUDED IN THE TRUST'S CLAIM FILE, OR ADDRESS ISSUES NOT IDENTIFIED IN THE ELECTION AGREEMENT. THE EVALUATOR SHALL DISREGARD ANY ARGUMENT THAT DOES NOT COMPLY WITH THIS RULE.
 - d. Upon receipt of the written argument, the pro bono evaluator or CRMC ADR administrator shall mail copies simultaneously to the evaluator and to each party.
 - e. Where a party fails to submit the written argument within the 30 days, the party waives the written argument.
6. In order to be considered for allowance, all claims must fully comply with the documentary requirements set forth in the Claims Resolution Procedures.

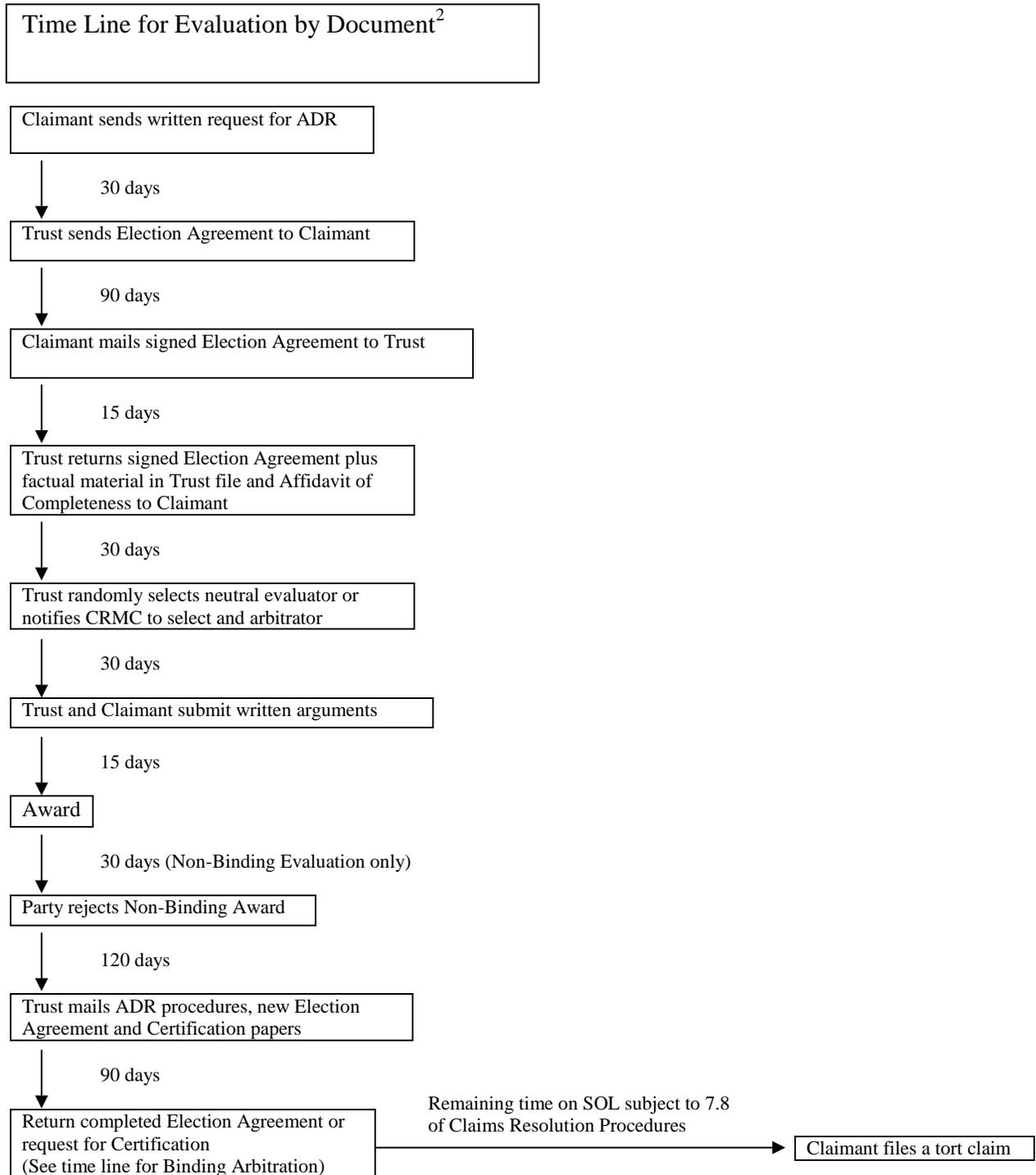
F. Consolidated Evaluation of Claims with Similar Disputed Issue. See Section IV.B. below.

G. Decision and Award. See Section IV.A. below.

H. Rejection of Nonbinding Award.

If the claimant or the Trust rejects a non-binding award and wishes to pursue the claim, the rejecting party must notify the other party through correspondence

postmarked no later than 30 days from the date a non-binding award is issued. The claimant may then elect Binding Arbitration (subject to the agreement of the Trust) or certify for entry into the tort system subject to Section 7.8 of the Claims Resolution Procedures. See Section IV.A.3. below.



²For presentation purposes this time line includes some simplification. Refer to text of Procedures for details.

III. RULES OF BINDING ARBITRATION

A. Initiation of Arbitration

Arbitration Election Agreement

A claimant may elect Binding Arbitration by timely signing and returning the Election Agreement, Exhibit I, indicating a choice of Binding Arbitration.

After signing an Election Agreement electing Binding Arbitration, the claimant shall send it to the Trust. The Trust shall review and sign the Election Agreement, or notify the claimant that it will not sign, within 15 days of receipt of the signed Election Agreement. Corresponding time limits apply where the Trust is the first to elect Binding Arbitration. The Trust shall send a copy of the fully executed Election Agreement electing Binding Arbitration to the claimant and to the CRMC ADR Administrator together with complete copies of all materials submitted to the Trust by claimant and factual information in the Trust file, if any, gathered by the Trust from other sources. If either party elects Binding Arbitration and the other party consents to the election by countersigning the form, the Election Agreement will constitute an agreement to submit to Binding Arbitration.

If one party has elected Binding Arbitration and the other party elects not to sign the Election Agreement, the claimant or the Trust may within ninety days request a Notice of Certification to enter the tort system subject to Section 7.8 of the Claims Resolution Procedures. The timetables set forth in Section IV.A.3. below shall apply.

B. Selection of the Arbitrator

1. Arbitration Panel: Arbitrators' assignments will be made on a rotating basis within regions by the CRMC ADR Administrator. The arbitrator selected shall be notified as soon as reasonably possible by the CRMC ADR administrator. If the arbitrator is unable or unwilling to serve, a replacement selection will be made prior to notifying the EPI Trust and the claimant of the arbitrator selected.
2. Any appointed arbitrator shall disclose to the CRMC ADR Administrator any circumstances likely to affect impartiality of the arbitrator, including any bias or any financial or personal interest in the result or any past or present relationship with the parties or representatives. Upon receipt of such information from the arbitrator or another source, the CRMC ADR Administrator shall

appoint another arbitrator.

C. Briefing

Within 20 days of the appointment of an arbitrator, each party shall submit to the CRMC ADR Administrator a written statement (not to exceed 10 double spaced pages) containing that party's positions and arguments. The CRMC ADR Administrator shall transmit the statement to the other party and to the arbitrator. If the arbitrator so orders, each party may submit a supplement to its position paper (not to exceed 5 double-spaced pages) following the initial pre-hearing conference. Supplements must be received by the CRMC ADR administrator within 10 days of the date of the pre-hearing conference.

D. Initial Pre-Hearing Conference

1. Within 15 calendar days of the receipt of each party's brief (and any required supplement), the CRMC ADR administrator shall contact the claimant, the arbitrator, and the Trust to schedule the initial pre-hearing conference. The pre-hearing conference shall be presided over by the arbitrator and held by telephone conference call.
2. During the initial pre-hearing conference, the arbitrator shall schedule the hearing date and select the location of the hearing with due regard to the convenience of the parties. The hearing should be scheduled not less than 45 days, and not more than 60 days, from the date of the initial pre-hearing conference. The CRMC ADR Administrator will mail a confirmation notice of this date to the claimant and the Trust.
3. During the initial pre-trial conference, the arbitrator shall seek to achieve agreement between the parties on:
 - a. narrowing the issues (through methods including but not limited to stipulation of facts);
 - b. whether the claimant will appear at the hearing;
 - c. any legal issues; and
 - d. any other matters that will expedite the arbitration proceedings.

If appropriate or if the parties do not agree on these issues, the arbitrator may issue orders governing the process. There shall be no discovery.

E. Postponement of Hearing

The arbitrator for good cause may postpone any hearing upon the request of a party or upon the arbitrator's own initiative, and shall also grant such postponement when all of the parties agree.

F. Conduct of Hearing

1. Record of Proceedings

Either party may request that the hearing be recorded by an official court reporter. The requesting party shall bear the cost of the court reporter, unless the parties otherwise agree.

2. Duration of Hearings

The arbitrator shall complete the hearing in one day unless good cause is shown for a longer hearing. The arbitrator shall set time limits on the respective presentations, and shall enforce those set limits. The parties shall be allotted no more than three hours apiece for presentation of their cases.

3. Testimony Under Oath or Affirmation

If the claimant testifies, such testimony shall be under oath or affirmation administered by the arbitrator. The Trust may cross-examine. The arbitrator may also ask questions of the claimant.

4. Conduct of Hearing

At the opening of the arbitration hearing, the arbitrator shall make a written record of the time, place, and date of the hearing, and the presence of the parties and counsel.

The parties may request a waiver of oral hearings. If both parties agree to a waiver, the arbitrator has discretion to require a hearing.

5. Place of Hearing

The arbitration hearing shall be held at the arbitrator's office. The parties shall each bear their own costs of travel to the hearing.

6. Evidence

- a. Rules of Evidence: The arbitrator is not required to apply the rules of evidence used in judicial proceedings, provided, however that the arbitrator shall apply the lawyer-client privilege and the work product privilege. The arbitrator shall determine the applicability of any privilege or immunity and the admissibility, relevance, materiality and weight of the evidence offered.
- b. Admission of Evidence: The evidence that the arbitrator may consider shall be limited to the following:
 - i. The documents supplied to the CRMC ADR Administrator as set forth in Section II.E.1. above.
 - ii. Election Agreement electing Binding Arbitration.
 - iii. Testimony of the claimant. The claimant may offer evidence only regarding the nature and extent of physical injuries and exposure to Eagle-Picher product. The Trust may cross-examine on these issues. A physically incapacitated claimant may have his or her deposition read into evidence in lieu of live testimony on due notice, provided that the physical incapacitation is documented by the claimant's attending physician and that the arbitrator has approved resort to a deposition prior to or at the initial pre-hearing conference.
- c. Arguments: The Arguments shall be limited in scope to the evidence contained and the issues raised in the documents referred to in Section II.E. above and in any testimony of the claimant. The Arguments shall be limited in time to thirty minutes. The arbitrator shall disregard any effort to introduce further evidence or issues in argument.

d. Limits on Claims and Awards:

- a. Under no circumstances may the arbitrator allow a claim which is not fully in conformity with the Claims Resolution Procedures.
- b. The arbitrator may not award punitive, exemplary, trebled or other like damages; attorneys' fees; or prejudgment or postjudgment interest or costs.

7. Arbitration in the Absence of a Party or Representative

The arbitration may proceed in the absence of any party or representative who, after due notice, fails to be present or fails to obtain a postponement. An award shall not be made against a party solely for the failure to appear. The arbitrator shall require the party who is present to submit such evidence as the arbitrator may require for the making of an award.

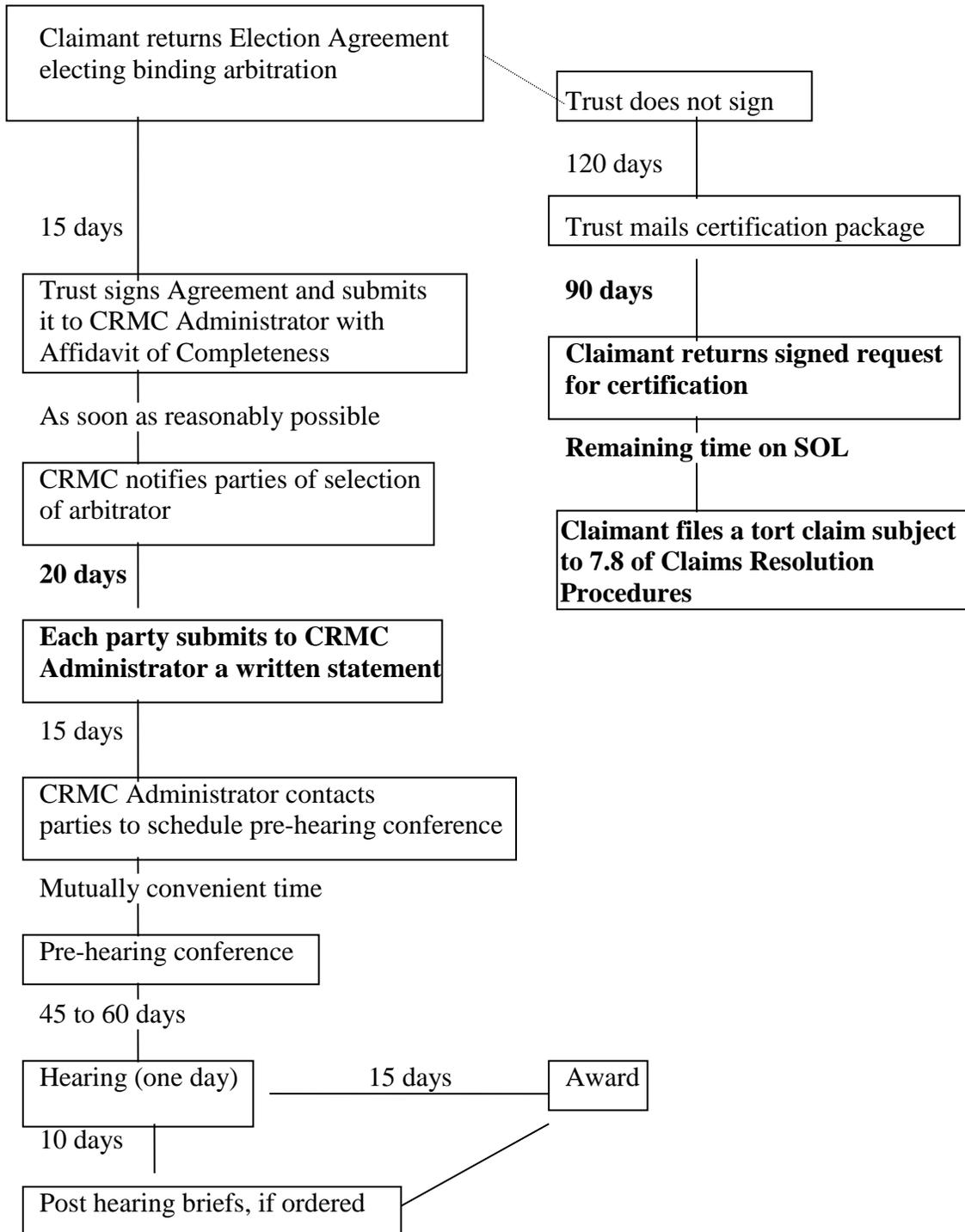
8. Conclusion of Hearing

When the parties state that they have no further evidence or witnesses to offer, and after the parties have made their closing arguments, if any, the arbitrator shall declare the hearing closed. Post-hearing briefs will be permitted only upon order of the arbitrator and shall be served upon the arbitrator no later than 10 ten days after the hearing is closed. Such briefs shall be no longer than 5 double spaced pages. The time limit within which the arbitrator is required to make the award shall commence to run upon the closing of the hearing.

G. Consolidated Evaluation of Claims with Similar Disputed Issue. See Section IV. B. below

H. Decision and Award. See Section IV.A. below.

Time Line for Binding Arbitration³



³**Bold entries are deadlines for claimant action.** For presentation purposes this time line includes some simplification. Refer to text of Procedures for details.

IV. GENERAL PROCEDURES FOR NON-BINDING OR BINDING EVALUATION BY DOCUMENT AND BINDING ARBITRATION

A. Awards by Arbitrator or Evaluator

1. Issuance of Decision

a. Time Limits

The arbitrator or pro bono evaluator shall issue a decision no later than 15 calendar days after the date of receiving the evidence (see Section II.E. above) of the parties for an Evaluation by Document or 15 calendar days after the date of the closing of the hearing for Binding Arbitration. The decision shall state the amount of the award, if any, only except where the only issue is the presence or absence of exposure, in which case the decision shall state the outcome of that issue only. The decision shall not state reasons for the award.

b. Method For Distributing Decision of Arbitrator or Pro Bono Evaluator

i. Pro Bono Evaluator: The pro bono evaluator shall send the decision together with the claim file to the EPI Trust ADR Administrator. The decision will be distributed to the claimant promptly.

ii. Arbitrator: The arbitrator or neutral evaluator shall send the decision together with the claim file to the CRMC ADR Administrator. The decision will be distributed promptly to the parties and the claim file will be returned to the EPI Trust.

2. Procedure for Accepted Award

a. Content of Decision or Award

The decision of the arbitrator or pro bono evaluator will be rendered on the standardized award form (See Exhibits V and VI). Except in a matter where the dispute is solely over exposure rather than value (in which case the award shall simply be a statement that exposure was established or not established), awards shall be for compensatory damages only pursuant to baseball arbitration procedures. Thus, an arbitrator or evaluator will be told the amount, if any, of the Trust's final offer and the amount of the claimant's final demand. The award, if any, will be one of

these two amounts. Under no circumstances shall the award include any amount for punitive, exemplary, trebled or other like damages, for attorneys' fees or for prejudgment or postjudgment interest, or for costs. An arbitrator or evaluator may not make any other award. The award shall dispose of all monetary claims presented to the arbitrator or pro bono or neutral evaluator.

b. Binding Award

If the arbitrator or the pro bono evaluator issues a binding award in favor of the claimant, the Trust will promptly send to the claimant the appropriate Release. Upon receipt by the Trust of an appropriate executed Release, the EPI Trust will then pay the claim in accordance with the Option selection procedures and payment percentage in effect at that time.

c. Non-Binding Award

If a party wishes to reject a non-binding award the rejecting party must notify the other party within 30 days from the date a non-binding award is issued. If no rejection is received or sent by the EPI Trust within 30 days, the decision will stand and the award will be deemed accepted by both parties and the claim will be processed according to paragraph IV.B.2.b. above.

3. Procedure for Rejected Award

a. Rejection by Claimant of Non-binding Award

- i. If the claimant rejects the non-binding award and wishes to pursue the claim, the claimant must notify the Trust through correspondence postmarked no later than 30 days from the date of the non-binding award. If the claimant does not respond within the 30-day deadline, it will be conclusively presumed that the claimant does NOT wish to pursue the claim further.

If notification is received within the 30-day deadline that the claimant wishes to pursue the claim, the Trust will within 120 days of receipt of this notification send the claimant a packet containing the following (See Exhibits VIIIa and VIIIb):

-- these Alternative Dispute Resolution Procedures;

-- a form of Election Agreement for selecting either Binding Evaluation By Document or Binding Arbitration; and

-- an explanation of the process for obtaining certification to enter to the tort system subject to the terms of Section 7.8 of the Claims Resolution Procedures.

- ii. Upon receipt of the packet, the claimant must either (1) complete and sign an Election Agreement and send it to the Trust (Exhibit I) or (2) sign and return to the Trust a request for certification to enter the tort system subject to the terms of Section 7.8 of the Claims Resolution Procedures. The above must be received by the Trust in an envelope postmarked within 90 days of the date of the cover letter of the packet sent to the claimant by the Trust. Failure to return within 90 days of the postmark date of the packet a signed Election Agreement or request for certification shall constitute a waiver of the right to seek re-evaluation of the claim in any forum.

b. Rejection by EPI Trust of Nonbinding Award

If the Trust rejects the non-binding award and the claimant wishes to pursue the claim, the procedures in Section IV.A.3.a. above shall be followed, except that the thirty days provided in Section IV.A.3.a. shall run from the date the claimant receives notice of the Trust's rejection.

4. Failure to Reject Deemed as Acceptance

If a rejection of a non-binding award is neither received nor sent by the EPI Trust within 30 days from the date of the non-binding award, the decision will stand. The award will be deemed accepted by both parties, and the claim will be processed according to paragraph IV.B.2.b. above.

B. Consolidated Evaluation of Claims with Similar Disputed Issue.

The Trust, at its discretion, may consolidate multiple claims from the same claimant counsel firm for evaluation by one neutral where the disputed issue is substantially similar. Where the Trust determines that similar claims from the same law firm shall be consolidated for evaluation by one neutral, the Trust must submit a list of

the claims to be evaluated together to claimant's counsel. The parties shall execute the Election Agreement for Consolidation of Claims for Neutral Evaluation.

C. No Ex Parte Communication

There shall be no ex parte communication between the arbitrator or pro bono evaluator and any counsel or party in any matter except for the role of the EPI Trust ADR Administrator described below. All communication between the arbitrator and the parties will be facilitated by the CRMC ADR Administrator. All communication between the parties and the pro bono evaluator will be through the EPI Trust ADR Administrator.

D. Claims and Defenses

Subject to the requirements of the Claims Resolution Procedures, which shall be controlling, all available claims and defenses which exist under the law shall be available to both sides. The Claims Resolution Procedures are attached as Exhibit IX and are incorporated by reference and made a part hereof.

E. Costs of ADR

1. The EPI Trust and the claimant will share equally the arbitrator's fee for Non-Binding or Binding Evaluation by Document or Binding Arbitration. A paid arbitrator shall be paid an hourly rate of \$250 not to exceed \$750 without the express prior consent of both parties. The total fee for Binding Arbitration shall be no more than \$3,000. The pro bono evaluator is a volunteer and thus no fee will be incurred. The EPI Trust will assume the costs, if any, of meeting and hearing facilities for Binding Arbitration. Claimants will pay their own costs and attorney fees including any expenses incurred should the claimant testify.

2. No Filing Fee

No filing fee is required of the claimant for any ADR selection.

3. Processing Fee

The \$250 per claim processing fee shall be administered pursuant to Section II.A. above.

F. Waiver of Objection to Infraction of Rules

Either party who continues with the Evaluation By Document or Binding Arbitration proceeding after knowing that any provision or requirement of the applicable Rules has not been complied with and who fails to state a timely objection in writing to the arbitrator or pro bono evaluator shall be deemed to have waived the right to object. A

timely objection by a claimant must be stated in writing and mailed to the Trust with instructions to forward the objection to the pro bono evaluator or to the CRMC ADR Administrator with instructions to forward the objection to the arbitrator. A timely objection by the Trust will be mailed to the claimant and to the pro bono evaluator or to the CRMC ADR administrator with instructions to forward to the neutral evaluator or arbitrator.

G. Serving of Notices

Each party to an Election Agreement shall be deemed to have consented that any papers, notices, or processes necessary or proper for the initiation or continuation of ADR proceedings under these Rules may be served upon such party as follows:

1. by regular U.S. mail or overnight courier addressed to such party or the party's attorneys at their last known address;
2. by facsimile transmission, if a copy of the transmitted papers is mailed addressed to the party or the party's attorney at its last known address within 24 hours of the facsimile transmission; or
3. by personal service, within or without the state where the Evaluation by Document or Binding Arbitration is to be held, whether the party is within or without the United States of America.

H. Exclusion of Liability

Neither the CRMC ADR Administrator, nor any arbitrator or pro bono evaluator nor the EPI Trust ADR Administrator shall be liable to any party for any act or omission in connection with any proceeding conducted under these rules. Arbitrators and pro bono evaluators who serve pursuant to these Rules shall have the same immunity as judges for their official acts.

I. Relationship of ADR Procedures to Election Agreement

These ADR Procedures shall be deemed a part of, and incorporated by reference in, every duly executed Election Agreement and shall be binding on all parties.

J. Relationship of ADR Procedures to the EPI Trust Claims Resolution Procedures

These ADR Procedures shall be deemed a part of, and incorporated by reference in, the EPI Trust's Claims Resolution Procedures ("CRP"). The CRP governs the processing, liquidating and satisfying of all Asbestos Personal Injury Claims, as required by the court-approved First Amended Consolidated Joint Plan of Reorganization of Eagle-Picher Industries, Inc. et.al. (the "Plan").

K. Jurisdiction

Any dispute under or concerning these ADR Procedures shall be subject to the exclusive jurisdiction of the United States Bankruptcy Court for the Southern District of Ohio.

L. Statement of Confidentiality

1. All ADR proceedings and information relating to any ADR proceeding under these ADR Procedures will be confidential. No information, evidence or admission of either party provided in the course of ADR proceedings, nor the valuation placed on the case by an arbitrator, may be disclosed to anyone or used in any further proceeding except as necessary to comply with maintain the Trustee's obligation to report to the Bankruptcy Court and the Trustees Advisory Committee.
2. All ADR proceedings shall be deemed settlement conferences pursuant to Rule 408 of the Federal Rules of Evidence. Except by agreement of the parties, the parties will not introduce into evidence in any other proceeding the fact that there was an arbitration, the nature or amount of the award, the written submissions or arguments, or the offer or demand figures proffered by either party, provided, however, that in the event the claimant seeks to litigate the claim after issuing of the Binding ADR Award evidence of the party's consent to Binding Arbitration and of the award pursuant to Binding Arbitration may be used for the sole purposes of showing accord and satisfaction, res judicata, and that such litigation is frivolous. No arbitrator or pro bono evaluator will ever be subpoenaed, or otherwise required by any party or any third party, to testify or produce records, notes or work product in any future proceedings.
3. The parties shall sign a Statement of Confidentiality (Exhibit VII). If an attorney or agent represents the claimant, both the claimant and attorney shall sign the Statement of Confidentiality. The attorney or agent may sign in place of or for the claimant if the attorney is legally designated to act on behalf of the claimant. An attorney designated to legally act on claimant's behalf must provide the documentation of such legal designation.

M. Amendments

Except as otherwise ruled by the Bankruptcy Court, these ADR Procedures, as they may from time to time be amended by the Trustees, will be binding on all parties in the form in which they are in force on the date the claimant signs the Election Agreement.