

## **Amendments to Federal-Mogul Asbestos Personal Injury Trust Distribution Procedures**

**2.1(b) U.S. Asbestos Trust Subfunds** shall be amended as follows:

**2.1(b) U.S. Asbestos Trust Subfunds.** As provided above, the U.S. Asbestos Trust shall establish up to five U.S. Asbestos Trust Subfunds pursuant to the Plan and the U.S. Asbestos Trust Agreement to compensate holders of claims against the U.S. Asbestos Trust. One such subfund shall be the T&N Subfund, which shall process, liquidate and make payments pursuant to this U.S. TDP to holders of T&N Claims, Flexitallic Claims and Ferodo Claims (defined below) as provided in Article IV of the Plan (collectively “T&N Subfund Claims”). The other three U.S. Asbestos Trust Subfunds which are subject to the terms of this U.S. TDP shall be the FMP Subfund, the Fel-Pro Subfund and the Vellumoid Subfund, ~~which. The FMP Subfund shall pay FMP Claims, Fel-Pro Claims and Vellumoid Claims, respectively, from proceeds of insurance available to the corresponding Federal Mogul Entity (collectively “Insured Asbestos Trust Claims”).~~ pay FMP claims. Any payments in respect of Fel-Pro Claims and Vellumoid Claims shall be subject to the terms of the CIP Agreement. . . .

**2.1(b)(2) Insured U.S. Asbestos Trust Subfunds** shall be amended as follows:

**2.1(b)(2) Insured U.S. Asbestos Trust Subfunds.** The other three U.S. Asbestos Trust Subfunds that are subject to the terms of this U.S. TDP, ~~e.g., are~~ are the FMP Subfund, the Fel-Pro Subfund and the Vellumoid Subfund, ~~The FMP Subfund shall be liable for Asbestos Trust Claims based on exposure within or outside the U.S. to asbestos-containing products produced, marketed, distributed, sold or utilized by (i) FMP, including asbestos-containing products manufactured or distributed by its predecessors, the Wagner Electric Corporation and Moog Automotive Inc., Abex Corporation and Pneumo Abex LLC and their predecessors (collectively “FMP Claims”); provided, however, that the FMP Subfund shall not be liable for Pneumo Asbestos Claims in the event that the Plan channels Pneumo Abex Claims against the Pneumo Protected Parties to the U.S. Asbestos Trust, (ii) Fel-Pro and (iii) Vellumoid. the Fel-Pro Subfund and the Vellumoid Subfund (collectively, the “Insured U.S. Asbestos Trust Subfunds”).~~ The Fel-Pro Subfund shall be liable only for Fel-Pro Claims and the Vellumoid Subfund shall be liable only for Vellumoid Claims and such other Asbestos Trust Claims that are assertable directly against Federal-Mogul Corporation, if any. The Fel-Pro Subfund and the Vellumoid Subfund shall consist primarily of rights to obtain indemnity payments and costs of shall be paid (i) rights under the CIP Agreement (ii) rights under Asbestos Insurance Policies other than those issued by the Insurer Parties (as that term is defined in the CIP Agreement), and subject to the terms and conditions of the CIP Agreement; and (iii) funds required to be held by the Trust pursuant to the terms and conditions of the CIP Agreement. Fel-Pro Claims and Vellumoid Claims shall be handled pursuant to Section 5.3(b) of this U.S. TDP and the CIP Agreement.

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~~Because of a lack of data concerning historical verdicts and settlement values for Fel-Pro and Vellumoid Claims, Asbestos Trust Claims payable from the Fel-Pro and Vellumoid Subfunds~~Fel-Pro and Vellumoid Claims shall be liquidated in the tort system as described in Section 5.3(b) below.—pursuant to Section 5.3(b) below, and the terms and conditions of the CIP Agreement. The provisions of this U.S. TDP concerning TDP Valued Claims shall not apply to Fel-Pro Claims, Vellumoid Claims, or Federal-Mogul Asbestos Claims (as defined in the CIP Agreement) except as specifically set forth herein. However, the U.S. Asbestos Trust may in appropriate circumstances, with the approval of the U.S. Asbestos Trust Advisory Committee (the “TAC”) and the Legal Representative for Future Asbestos Claimants (“Future Claimants’ Representative”), establish pursuant to Section 5.3(a)(1)(C) below and with the prior express written consent of the Lead Insurer, as that term is defined in the CIP Agreement (“Lead Insurer”), as provided in the CIP Agreement, establish claim forms, claim processing and liquidating procedures, Disease Levels, Medical/Exposure Criteria, Payment Percentages and Scheduled, Average and/or Maximum Values for Fel-Pro Claims and/or Vellumoid Claims, or Federal-Mogul Asbestos Claims.

**2.2(c) Fel-Pro and Vellumoid Claims** shall be amended as follows:

**2.2(c) Fel-Pro and Vellumoid Claims.** ~~All Fel-Pro and Vellumoid Claims payable from insurance proceeds to be assigned to the U.S. Asbestos Trust for the benefit of the Fel-Pro and/or Vellumoid Subfunds shall be processed~~shall be handled pursuant to the procedures set forth in Section 5.3(b), 5.11(b) and 7.6(b) below. ~~In such cases, it is anticipated that the applicable insurer or insurers shall either assume the defense of the claim or reimburse the U.S. Asbestos Trust for its costs of defense. In any event, all final judgments for money damages relating to a Fel-Pro and Vellumoid Claim shall be paid by the insurer or the corresponding Fel-Pro or Vellumoid Trust Subfund pursuant to Section 7.7(b) below~~of this U.S. TDP and the CIP Agreement.

**2.3 Application of Payment Percentages.** The last paragraph shall be amended as follows:

~~Because it is anticipated that~~With respect to the Fel-Pro and Vellumoid Claims ~~will be passed through and paid by insurers to the extent available insurance coverage exists~~Subfunds, no Initial Payment Percentage(s) for such claims have been set. However, the U.S. Asbestos Trust, with the consent of the TAC and the Future Claimants’ Representative and the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, may subsequently adopt a Payment Percentage for one or both such Subfunds in appropriate circumstances pursuant to Section 4.2 below.

**2.4 Determination of the Maximum Annual Payment and Maximum Available Payment.** The last paragraph shall be amended as follows:

~~Because it is anticipated that the Fel-Pro and Vellumoid Claims will be passed through and paid by insurers to the extent available insurance coverage exists, the~~The U.S. Asbestos Trust does

not anticipate setting a Maximum Annual Payment or Maximum Available Payment for ~~such~~the Fel-Pro and Vellumoid Subfunds. However, the U.S. Asbestos Trust with the consent of the TAC and the Future Claimants' Representative and the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, may set such payment limitations for the Subfund or Subfunds in question in appropriate circumstances.

**2.5 Claims Payment Ratio.** The third to last and last paragraphs shall be amended as follows:

~~No Claims Payment Ratio has been set for the Fel-Pro and Vellumoid Subfunds because it is anticipated that the Fel-Pro and Vellumoid Claims will be passed through and paid by insurers to the extent available insurance coverage exists.~~ However, the U.S. Asbestos Trust with the consent of the TAC and the Future Claimants' Representative and the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, may establish a Claims Payment Ratio for one or both of those Trust Subfunds in appropriate circumstances.

\* \* \* \*

In any event, no amendment to the Claims Payment Ratio for any Subfund may be made without the consent of at least eighty percent of the TAC members and the consent of the Future Claimants' Representative pursuant to the consent process set forth in Sections 5.7(b) and 6.6(b) of the U.S. Asbestos Trust Agreement. However, the Trustees, with the consent of the TAC and the Future Claimants' Representative, may offer the option of a reduced Payment Percentage to holders of claims in either Category A or Category B against a Subfund in return for prompter payment by the Subfund (the "Reduced Payment Option"). With respect to the Fel-Pro and Vellumoid Subfunds, Claims Payment Ratios may not be set or modified without the prior express written consent of the Lead Insurer, as provided in the CIP Agreement.

**4.2 Computation of Payment Percentage.** The last paragraph shall be amended as follows:

~~Because it is anticipated that the Fel-Pro and Vellumoid Claims will be passed through and paid by insurers to the extent available coverage exists, no~~No Initial Payment Percentages for ~~those~~the Fel-Pro and Vellumoid Subfunds have been set. However, the U.S. Asbestos Trust may subsequently, with the consent of the TAC and the Future Claimants' Representative, and the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, adopt a Payment Percentage for one or both Subfunds in appropriate circumstances.

**5.1(c) Payment of Asbestos Trust Claims.** The first paragraph shall be amended as follows:

**5.1(c) Payment of Asbestos Trust Claims.** Asbestos Trust Claims that have been liquidated by the Expedited Review Process as provided in Section 5.3(a)(1) below, by the Individual Review Process as provided in Section 5.3(a)(2) below, by arbitration as provided in Section 5.10 below, or by litigation in the relevant tort system provided in Section 5.11(a) below, shall be paid in FIFO order from the relevant Subfund based on the date their liquidation became final (the "FIFO Payment Queue"), all such payments being subject to the applicable Payment Percentages, the Maximum Available Payment, and the Claims Payment Ratio, except as

otherwise provided herein. Pre-Petition Liquidated Claims, as defined in Section 5.2 below, shall be subject to the Maximum Annual Payment and Payment Percentage limitations, but not to the Maximum Available Payment and Claims Payment Ratio provisions set forth above. Insured Asbestos Trust Claims that are to be liquidated in the tort system shall also be placed in FIFO Payment Queues to be established for each of the Insured U.S. Asbestos Trust Subfunds, ~~and paid pursuant to Section 7.7(b).~~ The date of liquidation for such claims shall be the date of the final judgment or settlement. This section 5.1(c) shall not apply to Fel-Pro Claims, Vellumoid Claims, or Federal-Mogul Asbestos Claims except with the consent of the TAC and the Future Claimants' Representative and the prior express written consent of the Lead Insurer, as provided in the CIP Agreement.

~~5.2(a)(2) Insured Pre-Petition Liquidated Claims shall be deleted:~~

**5.2(a)(2) Insured ~~Pre-Petition~~ Prepetition Liquidated Claims. Pre-Petition Liquidated Claims payable from the Fel-Pro or Vellumoid Subfunds shall be tendered by the U.S. Asbestos Trust to ~~the relevant~~ the relevant insurer or insurers for ~~payment~~ handling as provided in the CIP Agreement or in the applicable policies.**

Sections 5.11(b), 7.5(d), 7.6(b), and 7.7(b) shall be deleted and replaced with the following.

**5.3(b) Handling, Litigation, and Payment of Fel-Pro and Vellumoid Claims.**

Notwithstanding anything to the contrary in this U.S. TDP or the U.S. Asbestos Personal Injury Trust Agreement, unless otherwise approved by the TAC and the Future Claimants' Representative with the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, this paragraph 5.3(b), together with the following sections or paragraphs of this U.S. TDP, to the extent not inconsistent therewith, shall exclusively govern the handling of Fel-Pro Claims and Vellumoid Claims: Section I and paragraphs 2.1(a), 2.1(b), 2.1(b)(2), ~~2.1~~ 2.2(c), 2.3, 2.4, 2.5, 2.6, 3.1, 3.2, 4.2, and 5.1(c).

Claimants holding Fel-Pro or Vellumoid Claims who wish to recover on such claims must sue the U.S. Asbestos Trust ~~and only the U.S. Asbestos Trust~~ in the relevant tort system. ~~No other Person may be sued on and may not sue any Insurer or Excess Insurer (as those terms are defined in the CIP Agreement) in respect of such Fel-Pro or Vellumoid Claims.~~ If such claim is a Fel-Pro Claim, the lawsuit must name as the defendant the Federal-Mogul U.S. Asbestos Personal Injury Trust as successor to Fel-Pro. If such claim is a Vellumoid Claim, the lawsuit must name as the defendant the Federal-Mogul U.S. Asbestos Personal Injury Trust as successor to the former Vellumoid division of Federal-Mogul. ~~A claimant may not consolidate a Fel-Pro Claim or a Vellumoid Claim with claims against any other Person; provided, however, that claimants holding both a Fel-Pro and a Vellumoid Claim may consolidate such claims in one lawsuit.~~ All lawsuits brought against the U.S. Asbestos Trust involving Fel-Pro and/or Vellumoid Claims 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.~~ Service of process on the U.S. Asbestos Trust may be made, pursuant to applicable federal or state law where the lawsuit is filed, upon the following: \_\_\_\_\_.

Any lawsuit involving a Fel-Pro Claim or a Vellumoid Claim may be brought by the claimant in the federal or state court of his or her choosing as permitted under applicable federal or state law. After the Effective Date, where no action against Fel-Pro or the former Vellumoid division of Federal-Mogul is already pending on behalf of the claimant, the claimant must institute a lawsuit asserting a Fel-Pro Claim or a Vellumoid Claim by filing an appropriate legal pleading in a venue permitted by applicable federal or state law, subject, however, to all defenses, including those based on venue, forum non conveniens, and jurisdiction.

Where a lawsuit that is still pending against Fel-Pro and/or the former Vellumoid division of Federal-Mogul was already pending prior to the Petition Date, the lawsuit may proceed, subject, however, to all defenses, including those based on venue, forum non conveniens, and jurisdiction; provided, however, that within 180 days of the Effective Date, the plaintiff in such lawsuit ~~must~~shall file and serve an amendment to the lawsuit substituting the Federal-Mogul U.S. Asbestos Personal Injury Trust as successor to Fel-Pro and/or the former Vellumoid division of Federal-Mogul as applicable, as a party defendant. Such lawsuit shall be deemed barred by the statute of limitations if (i) the plaintiff was on notice of the foregoing requirements concerning substitution of parties and re-filing of such lawsuit, (ii) compliance with the foregoing requirements concerning substitution of parties and re-filing of such lawsuit is not effected within one hundred eighty (180) days of the Effective Date, and (iii) the defense of such lawsuit has been materially prejudiced by such lack of compliance. In all other circumstances, claimants holding Fel-Pro or Vellumoid Claims who wish to recover on such claims from proceeds of insurance policies that provide or are alleged to provide coverage for such claims must bring a new lawsuit against the Federal-Mogul U.S. Asbestos Personal Injury Trust as successor to Fel-Pro and/or the former Vellumoid division of Federal-Mogul as applicable or amend any existing lawsuit to substitute in the Federal-Mogul U.S. Asbestos Personal Injury Trust as successor to Fel-Pro and/or the former Vellumoid division of Federal-Mogul as applicable.

All defenses and all contribution claims (including those with respect to the U.S. Asbestos Trust that could have been asserted by Fel-Pro and/or the former Vellumoid division of Federal-Mogul) shall be available as to any Fel-Pro or Vellumoid Claim.

No claim for punitive damages, or exemplary damages, or any claim based on the Debtors' or the Reorganized Debtors' spoliation of evidence may be asserted or recovered upon in such lawsuit. In addition, prejudgment interest shall be subject to and calculated based on applicable federal or state law; ~~provided, however, that no prejudgment interest shall have accrued prior to the Effective Date, including any applicable limitations thereunder, including without limitation Section 502 of the Bankruptcy Code.~~ Any Fel-Pro Claim or Vellumoid Claim that is not a Covered Asbestos Claim pursuant to the CIP Agreement shall not be the responsibility of the U.S. Asbestos Trust any Insurer or Excess Insurer (as those terms are defined in the CIP Agreement).

The applicability of statutes of limitations and repose in all such lawsuits shall be determined under applicable state or federal law without regard to Section 5.1(a)(2) above. If a lawsuit involving a Fel-Pro Claim and/or a Vellumoid Claim was filed prior to the Petition Date (even if

the lawsuit was dismissed as a result of the filing of these bankruptcy cases), the filing date of such lawsuit shall be the operative date for purposes of the applicable statute of limitations; ~~except that such lawsuit shall be deemed barred by the statute of limitations if compliance with the foregoing requirements concerning substitution of parties and re-filing of such lawsuit is not effected within 180 days of the Effective Date.~~

~~Immediately upon receipt, the~~The U.S. Asbestos Trust shall provide the Lead Insurer with ~~all process, pleadings, motions, and any other such~~ information related to any lawsuit involving a Fel-Pro Claim or a Vellumoid Claim ~~in accordance with~~ as is required under the terms and conditions of the CIP Agreement. Once these materials are received by the Lead Insurer, the lawsuit will be handled in accordance with the CIP Agreement. The time within which the U.S. Asbestos Trust is required to answer or otherwise respond to any summons or complaint involving a Fel-Pro Claim or a Vellumoid Claim that is served upon the U.S. Asbestos Trust shall automatically be extended by twenty (20) days.

This Section \_\_\_ shall not be amended without the approval of the TAC and the Future Claimants' Representative and the prior express written consent of the Lead Insurer as provided in the CIP Agreement.

**6.5 Confidentiality of Claimants' Submissions** shall be amended as follows:

**6.5 Confidentiality of Claimants' Submissions.** All submissions to the U.S. Asbestos Trust by a holder of a Asbestos 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 holder and the U.S. Asbestos Trust and intended by the parties to be confidential and to be protected by all applicable state and federal privileges, including, but not limited to, those directly applicable to settlement discussions. The U.S. Asbestos Trust will preserve the confidentiality of such claimant submissions, and shall disclose the contents thereof only, with the permission of the holder, to another trust established for the benefit of asbestos personal injury claimants pursuant to section 524(g) of the Bankruptcy Code or other applicable law, to such other persons as authorized by the holder, or in response to a valid subpoena of such materials issued by the Bankruptcy Court [, a Delaware State Court or the United States District Court for the District of Delaware. Furthermore, the U.S. Asbestos Trust shall provide counsel for the holder a copy of any such subpoena immediately upon being served. The U.S. Asbestos Trust shall on its own initiative or upon request of the claimant in question take all necessary and appropriate steps to preserve said privilege before the Bankruptcy Court, a Delaware State Court or the United States District Court for the District of Delaware and before those courts having appellate jurisdiction related thereto. Nothing in the TDP, the Plan, or the Trust Agreement expands, limits or impairs the obligation under applicable law of a claimant to respond fully to lawful discovery in an underlying civil action regarding his or her submission of factual information to the Trust for the purpose of obtaining compensation for asbestos-related injuries from the Trust.

**7.8 Releases** shall be amended as follows:

**7.8 Releases.** The Trustees shall have the discretion to determine the form and substance of the releases to be provided to the U.S. Asbestos 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 U.S. Asbestos Trust. As a condition to making any payment to a claimant, the U.S. Asbestos Trust shall obtain a separate general, partial, or limited release as appropriate in accordance with the applicable state or other law with respect to each claim paid. 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. Nothing herein shall affect the rights and obligations set forth in the CIP Agreement.

**8.1 Amendments** shall be amended as follows:

**8.1 Amendments.** Except as otherwise provided herein and in the CIP Agreement, the Trustees may amend, modify, delete, or add to any provisions of this U.S. TDP (including, without limitation, amendments to conform this U.S. TDP to advances in scientific or medical knowledge or other changes in circumstances) for the purpose of insuring that all Asbestos Trust Claims are treated in accordance with the objective of this U.S. TDP, which is set forth above in Section 2.1(a) above, provided, however, that the right to amend the Claims Payment Ratio is governed by the restrictions in Section 2.5 above, and the right to adjust the Payment Percentage is governed by Section 4.2 above. In making any amendments, modification deletions or additions to the provisions of this U.S. TDP, the Trustees shall first obtain the consent of the TAC and the Future Claimants' Representative pursuant to the Consent process (and with respect to amendments, modifications, deletions or additions concerning the Fel-Pro Subfund, the Vellumoid Subfund, Fel-Pro Claims, Vellumoid Claims, or Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement) encompassed by the CIP Agreement, the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, pursuant to the Consent Process set forth in Section of the U.S. Asbestos Trust Agreement) pursuant to the Consent Process set forth in Sections 5.7(b) and 6.6(b) of the U.S. Asbestos Trust Agreement. Nothing herein is intended to preclude the TAC or the Future Claimants' Representative from proposing to the Trustees, in writing, amendments to this U.S. TDP. Any amendment proposed by the TAC or the Future Claimants' Representative shall remain subject to Section 7.3 of the U.S. Asbestos Trust Agreement.

**8.2 Severability** shall be amended as follows:

**8.2 Severability.** Should any provision contained in this U.S. TDP 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 this U.S. TDP. Should any provision contained in this U.S. TDP be determined to be inconsistent with or contrary to any Federal-Mogul Entity's or the U.S. Asbestos Trust's obligations to any insurance company providing insurance coverage to such Federal-Mogul Entity in respect of claims for personal injury based on exposure to asbestos-containing products manufactured or distributed by such Federal-Mogul Entity, the U.S. Asbestos Trust with the consent of the TAC and the Future Claimants' Representative and the prior express written consent of the Lead Insurer (and with respect to amendments,

modifications, deletions or additions concerning the Fel-Pro Subfund, the Vellumoid Subfund, Fel-Pro Claims, Vellumoid Claims, or Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement) encompassed by the CIP Agreement, the prior express written consent of the Lead Insurer, as provided in the CIP Agreement, pursuant to the Consent Process set forth in Section      of the U.S. Asbestos Trust Agreement) may amend this U.S. TDP and/or the U.S. Asbestos Trust Agreement to make the provisions of either or both documents consistent with the duties and obligations of such Federal-Mogul Entity to said insurance company.



## **Amendments to Federal-Mogul Asbestos Personal Injury Settlement Trust Agreement**

Section 1.2 of the Trust Agreement shall be amended as follows:

**1.2 Purpose.** The purpose of the U.S. Asbestos Trust is to assume the liabilities of the Debtors and the other Protected Parties, for and with respect to all Asbestos Personal Injury Claims, and to use the assets contributed to the U.S. Asbestos Trust pursuant to the Plan and any other assets that may be contributed to or acquired by the U.S. Asbestos Trust from time to time and the proceeds and income from such assets to pay the holders of all Asbestos Personal Injury Claims in accordance with this U.S. Asbestos Trust Agreement, the U.S. TDP, and the U.S. TDP CIP Agreement in such a way that such holders of Asbestos Personal Injury Claims are treated fairly, equitably and reasonably in light of the limited assets available to satisfy such claims, and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B) of the Bankruptcy Code.

Section 1.3 of the Trust Agreement shall be amended as follows:

**1.3 Transfer of Assets.** Pursuant to the Plan, the Trust Assets will be transferred and assigned to the U.S. Asbestos Trust to settle and discharge all Asbestos Personal Injury Claims and to permit the U.S. Asbestos Trust to satisfy the obligations of the Trust under Section 8.22 of the Plan. Pursuant to the Plan, Federal-Mogul and the other Protected Parties, from and after the Effective Date, and others may also transfer and assign additional assets to the U.S. Asbestos Trust from time to time to be added to the Trust Assets described above. Except as otherwise provided in the Plan ~~or~~, the Plan Documents, or the CIP Agreement, any and all assets transferred to the U.S. Asbestos Trust shall be free and clear of any liens or other claims by any Protected Party, any creditor, or other entity. Federal-Mogul, Reorganized Federal-Mogul, and any other transferors shall also execute and deliver such documents to the U.S. Asbestos Trust as the Trustees reasonably request to transfer and assign the Trust Assets to the U.S. Asbestos Trust.

Section 1.4 of the Trust Agreement,

**1.4 Acceptance of Assets and Assumption of Liabilities**, shall be amended to add the following:

(f)

(f) Nothing in this Section 1.4 shall affect the rights and obligations set forth in the CIP Agreement.

Section 2.1 of the Trust Agreement shall be amended to add the following provision:

**2.1 Powers.**

(f) Notwithstanding anything to the contrary in the foregoing, the powers of the Trustees are subject to the terms of the CIP Agreement with respect to Fel-Pro Claims, Vellumoid Claims, or Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement) and encompassed by the CIP Agreement and nothing in this Section 2.1 shall affect the rights and obligations set forth in the CIP Agreement.

Section 2.2 of the Trust Agreement shall be amended as follows:

## **2.2 General Administration.**

(f) The Trustees shall be required to obtain the consent of the TAC and the Future Claimants Representative pursuant to the Consent Process set forth in Section 5.7(b) and 6.6(b) below, in addition to any other instances elsewhere enumerated, including as set forth in Section 7.3 below, in order to take any of the following actions; provided, however, that the Trustees must also obtain the prior express written consent of the Lead Insurer (as that term is defined in the CIP Agreement), as provided in the CIP Agreement, in order to take any of the following actions with respect to the Fel-Pro Subfund, the Vellumoid Subfund, Fel-Pro Claims, Vellumoid Claims or Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement) encompassed by the CIP Agreement:

The following provision shall be added to Section 2.2:

(j) Notwithstanding anything to the contrary in the foregoing, the administration of the Trust is subject to the terms of the CIP Agreement with respect to Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement), Vellumoid Claims and Fel-Pro Claims encompassed by the CIP Agreement and nothing in this Section 2.2 shall affect the rights and obligations set forth in the CIP Agreement.

Section 3.1 of the Trust Agreement shall be amended to add the following:

**Funding of the Vellumoid and Fel-Pro Subfunds and Escrow Account.** The Trustees shall (i) cause the Escrow Account to be established and funded as required by the Plan and CIP Agreement; (ii) allocate funds to the Vellumoid Subfund and the Fel-Pro Subfund as required by the Plan and the CIP Agreement; and (iii) maintain the funding levels of the Fel-Pro and Vellumoid Subfunds as required by the Plan and the CIP Agreement.

Section 3.3 of the Trust Agreement shall be amended as follows:

**3.3 Source of Payments.** All Subject to the terms of the CIP Agreement, all U.S. Asbestos Trust expenses and all liabilities with respect to Asbestos Personal Injury Claims shall be payable solely by the Trustees out of the Trust Assets. None of the Debtors, Reorganized Debtors, or

other Protected Parties, nor the Trustees, the TAC or Future Claimants Representative, or any of their officers, agents, advisors, or employees shall be liable for the payment of any U.S. Asbestos Trust expense or any other liability of the U.S. Asbestos Trust; provided, however, that nothing in this Section 3.3 shall relieve the Trust or the Reorganized Debtors of their obligations under the CIP Agreement.

Section 7.3 of the Trust Agreement shall be amended as follows:

**7.3 Amendments.** The Trustees, after consultation with the TAC and the Future Claimants Representative, and subject to the consent of the TAC and the Future Claimants Representative, may modify or amend this U.S. Asbestos Trust Agreement; provided, however, that the Trustees must also obtain the prior express written consent of the Lead Insurer (as that term is defined in the CIP Agreement), as provided in the CIP Agreement, in order to modify or amend this U.S. Asbestos Trust Agreement with respect to the Fel-Pro Subfund, the Vellumoid Subfund, Fel-Pro Claims, Vellumoid Claims or Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement) encompassed by the CIP Agreement. The Trustees, after consultation with the TAC and the Future Claimants Representative, and subject to the consent of the TAC and the Future Claimants Representative, may also modify or amend the U.S. TDP; provided, however, that the Trustees must also obtain the prior express written consent of the Lead Insurer (as that term is defined in the CIP Agreement), as provided in the CIP Agreement, in order to modify or amend this U.S. Asbestos Trust Agreement with respect to the Fel-Pro Subfund, the Vellumoid Subfund, Fel-Pro Claims, Vellumoid Claims or Federal-Mogul Asbestos Claims (as that term is defined in the CIP Agreement) encompassed by the CIP Agreement, and provided further that no amendment to the U.S. TDP shall be inconsistent with the limitations on amendments provided therein, and, in particular, the provisions limiting amendment of the Claims Payment Ratio set forth in Section 2.5 of the U.S. TDP and of the Payment Percentage set forth in Section 4.2 of the U.S. TDP. Any modification or amendment made pursuant to this Article must be done in writing, and must be described in the annual report to be filed by the U.S. Asbestos Trust with the Bankruptcy Court pursuant to Section 2.2(c)(i). Notwithstanding anything contained in this U.S. Asbestos Trust Agreement to the contrary, neither this U.S. Asbestos Trust Agreement, the U.S. Asbestos Trust Bylaws, the U.S. TDP, nor any document annexed to the foregoing shall be modified or amended in any way that could jeopardize, impair, or modify the applicability of Section 524(g) of the Bankruptcy Code, the efficacy or enforceability of the injunction entered thereunder, or the U.S. Asbestos Trust's qualified settlement fund status under Section 468B of the Internal Revenue Code, or any of the indemnity obligations of the Trust provided under the Plan.

A new section shall be added to the Trust Agreement as follows:

**Procedures for Obtaining the Consent of the Lead Insurer.**

In the event the Trustees are required to obtain the express written consent of the Lead Insurer pursuant to the terms of the ~~Plan, the U.S. TDP, the CIP Agreement, or TDP~~ or this agreement, the

Trustees shall follow the Consent Process set forth in Section 5.7(b) (describing the Consent Process for the TAC) and Section 6.6(b) (describing the Consent Process for the Future Claimants' Representative) and 7.13 (describing Dispute Resolution).