

## UNITED GILSONITE LABORATORIES ASBESTOS PERSONAL INJURY TRUST

### ALTERNATIVE DISPUTE RESOLUTION (ADR) PROCEDURES

Pursuant to Section 5.8 of the First Amended United Gilsonite Laboratories Asbestos Personal Injury Trust Distribution Procedures (the “*TDP*”), the United Gilsonite Laboratories Asbestos Personal Injury Trust (the “*UGL Trust*” or the “*Trust*”) hereby establishes the following Alternative Dispute Resolution (“*ADR*”) Procedures to resolve all Trust Claims that may be submitted to ADR under the TDP. All capitalized terms herein shall be as defined and/or referenced within the TDP.

#### I. OVERVIEW

The UGL Trust shall appoint a Private Adjudication Coordinator, at the cost of the UGL Trust, to administer these ADR procedures. These ADR procedures shall not be construed as imparting to any claimant any substantive or procedural rights beyond those conferred by the TDP.

These ADR procedures provide for pro bono evaluation or mediation and binding or non-binding arbitration. Pro bono evaluation consists of an evaluation of the claim by an evaluator selected from a pro bono panel. The panel shall be comprised of asbestos litigation attorneys as agreed upon by the Trust Advisory Committee (“TAC”), Future Claimants’ Representative (“FCR”), and the Trustee. The identity of the pro bono evaluator will not be disclosed to the claimant or the claimant’s attorney. The pro bono evaluation will be done by document submission. The claimant may request mediation as an ADR alternative. The Trust will establish and maintain a panel of qualified neutrals who may serve as mediators and arbitrators. Mediator and arbitrator assignments shall be made by the Private Adjudication Coordinator on a rotating basis among the national Trust panel of neutrals unless the parties agree otherwise. The parties will submit detailed mediation statements to familiarize the mediator with the respective positions.

The claimant may elect to submit to either pro bono evaluation or mediation before any form of arbitration. Alternatively, the claimant may waive pro bono evaluation and mediation and proceed directly to binding or non-binding arbitration. Only after either the claimant or the UGL Trust rejects a non-binding arbitration award may a claimant commence a lawsuit in the tort system.

The UGL Trust may not decline the claimant’s waiver of pro bono evaluation and mediation or the claimant’s election of either binding or non-binding arbitration, but reserves all rights to reject the pro bono evaluator’s evaluation, a settlement offer in mediation, or any award in a non-binding arbitration proceeding.

These ADR procedures must be pursued by claimants on an individual basis. As a general matter, claims of different claimants cannot be grouped together even if the claimants are represented by the same counsel, unless the UGL Trust, in its sole discretion, decides it would be expeditious to conduct an ADR proceeding with respect to more than one claim. In such a case, however, the pro bono evaluator, mediator or

arbitrator must individually value each such claim using the valuation factors set forth in Section 5.2(b)(2) of the TDP, and the claimants' positions in the UGL Trust's FIFO Processing and Payment Queues must be separately maintained.

**A. *Initiation of ADR Proceedings***

To initiate these procedures, the claimant must (i) make a written Demand and Agreement for ADR to the Private Adjudication Coordinator using the form attached to these ADR procedures (see Attachment 1) and (ii) pay an administrative fee of \$150.00 (items (i) and (ii) hereinafter collectively referred to as the "Demand for ADR"). In the Demand and Agreement for ADR, the claimant shall make the following elections: (1) elect either pro bono evaluation or mediation or waive both and proceed directly to arbitration, and (2) elect binding or non-binding arbitration.

The Private Adjudication Coordinator shall promptly notify the UGL Trust and the UGL Trust's claims processor upon receipt of a Demand for ADR by a claimant.

Within three (3) business days of receipt of notice from the Private Adjudication Coordinator of a Demand for ADR, the UGL Trust's claims processor will provide a complete copy of the claimant's file to the Private Adjudication Coordinator and the UGL Trust.

Within ten (10) days of the claimant's submission of the Demand for ADR, the Private Adjudication Coordinator will send the claimant a copy of the claim file and an Affidavit of Completeness (see Attachment 2).

The claimant must sign the Affidavit of Completeness and return it to the Private Adjudication Coordinator within thirty (30) days of receipt of the copy of the claim file. The ADR process will not proceed until the Private Adjudication Coordinator has received the signed Affidavit of Completeness. The Affidavit of Completeness shall verify that all information to be considered in the pro bono evaluation or mediation and/or binding or non-binding arbitration has been provided to the UGL Trust while the claim was under review by the Trust, except to the extent that other evidence may be admitted pursuant to Section III.K.3.b below of these ADR procedures.

Within three (3) business days of receipt of the Affidavit of Completeness, the Private Adjudication Coordinator shall inform the UGL Trust. Within five (5) business days after receipt of that notice, the UGL Trust shall execute and send to the Private Adjudication Coordinator a Certificate of Accuracy (see Attachment 3).

It is the claimant's responsibility to comply with the ADR deadlines set forth in these ADR procedures. Although the deadlines may be extended by agreement or for cause shown, failure to comply with a deadline without obtaining an extension may result in withdrawal of the claim. Promptly after a claimant fails to comply with a specified deadline without obtaining an extension, the UGL Trust shall send the claimant written notice of the failure to comply. If the claimant does not take any action on the claim, then thirty (30) days after the missed deadline the claim will be deemed withdrawn under Section 6.3 of the TDP.

If the claimant elects binding arbitration, then the claimant and the UGL Trust waive their respective rights to seek a jury trial with respect to the Trust Claim as set forth in the TDP.

If either party rejects a non-binding arbitration award, and the claimant has otherwise complied with the requirements of these ADR procedures and the Modified First Amended Plan of Reorganization of United Gilsonite Laboratories Under Chapter 11 of the Bankruptcy Code, then the claimant may commence a lawsuit against the UGL Trust in the Claimant's Jurisdiction, as that term is defined in Section 5.2(b)(2) of the TDP.

***B. Showing Required***

Among other requirements set forth in the TDP to establish a valid Trust Claim, a claimant must make a demonstration of Debtor Exposure (as defined in Section 5.5(b)(1)(B) of the TDP).

***C. Binding and Non-Binding Arbitration Procedures***

Binding and non-binding arbitration will be conducted in the "final offer" format also known as "baseball style" arbitration. Baseball arbitration is a type of arbitration in which each party to the arbitration submits a proposed monetary award to the arbitrator. After a final hearing, the arbitrator will choose one award from the submitted awards without modification except as required by the following paragraph. Baseball arbitration thus limits an arbitrator's discretion in arriving at a decision. It gives each party to the arbitration an opportunity to offer a reasonable proposal to the arbitrator with the hope that his/her award will be accepted by the decision-maker.

Arbitrators evaluating non-Extraordinary Claims involving Disease Levels II – VIII, shall not return an award in excess of the Maximum Value for the appropriate Disease Level as set forth in Section 5.2(b)(3) of the TDP. In the case of an Extraordinary Claim involving Disease Levels IV – VIII, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim set forth in Section 5.3(a) of the TDP.

**II. RULES GOVERNING PRO BONO EVALUATION AND MEDIATION**

***A. Rules Governing Pro Bono Evaluation***

**1. Selection of Pro Bono Evaluator**

Within fifteen (15) days of receipt of the signed Affidavit of Completeness following a claimant's Demand for ADR electing pro bono evaluation, the Private Adjudication Coordinator shall randomly select the individual pro bono evaluator from the approved panel. After the selection of the first pro bono evaluator, pro bono assignments will be made on a rotating basis.

The Private Adjudication Coordinator shall inform the claimant and the UGL Trust that the pro bono evaluator has been designated without disclosing the identity of the pro bono evaluator.

**2. Time Limits; Submission of Claim File to Pro Bono Evaluator**

Within five (5) business days after receipt of the Certificate of Accuracy, the Private Adjudication Coordinator shall provide the pro bono evaluator with the claim file, the Affidavit of Completeness and the Certificate of Accuracy, with notice to the claimant and the UGL Trust. The UGL Trust may not send the Private Adjudication Coordinator any materials in the UGL Trust file that have not previously been provided to the claimant.

The UGL Trust encourages identification of and not anonymity of the injured party so that medical records can be transmitted in their original form. Unless otherwise notified in writing by the claimant, the identity of the injured party will not be redacted from the claim file provided to the pro bono evaluator.

In order to preserve anonymity in a pro bono evaluation, the name of the claimant's counsel shall not be disclosed to the pro bono evaluator. Before the Private Adjudication Coordinator forwards the claim file to the pro bono evaluator, the Private Adjudication Coordinator will redact all references to the name of claimant's counsel.

**3. Submission of Written Arguments**

No later than fifteen (15) days after the Private Adjudication Coordinator sends the claim file to the pro bono evaluator, the claimant and the UGL Trust shall exchange and submit written arguments to the Private Adjudication Coordinator. The Private Adjudication Coordinator will immediately forward the written arguments to the pro bono evaluator. The written arguments shall comply with the following procedures: (a) The argument shall not exceed ten (10) double-spaced typewritten pages. The argument may not introduce or discuss factual matter not contained in the documents in the claim file. The pro bono evaluator shall disregard any argument that does not comply with this provision. (b) If a party fails to submit the written argument within the fifteen (15) days, the party waives written argument and the pro bono evaluator shall disregard any argument received after that time.

**4. Evaluation of Documents**

The pro bono evaluation is a document review only with complete anonymity preserved between claimant's counsel and the pro bono evaluator. The documents submitted to the pro bono evaluator shall be limited to the following: (a) The claim file forwarded to the pro bono

evaluator by the Private Adjudication Coordinator; (b) the claimant's Affidavit of Completeness and the UGL Trust's Certificate of Accuracy; and (c) the written arguments of the claimant and the UGL Trust that comply with the procedures for written arguments set forth above. The pro bono evaluator shall examine these documents, including the entirety of the claim file.

**5. Written Evaluation and Procedure for Acceptance/Rejection**

Within fifteen (15) days after the submission of written arguments to the pro bono evaluator by the Private Adjudication Coordinator, the pro bono evaluator shall submit a written evaluation of the claim to the Private Adjudication Coordinator who will promptly send the evaluation to the parties.

Within fifteen (15) days after receipt of the pro bono evaluator's written evaluation, the claimant and the UGL Trust will each communicate in writing to the Private Adjudication Coordinator whether they accept the amount of the pro bono evaluator's written evaluation to settle the claim. If both parties accept, then the Private Adjudication Coordinator will immediately inform both parties that they have achieved a settlement and the UGL Trust shall pay the claim pursuant to the TDP and the UGL Trust's procedures. If either or both parties reject the pro bono evaluator's written evaluation, then within five (5) business days of receipt of both parties' written communication, the Private Adjudication Coordinator shall send each party a notice of rejection of the pro bono evaluator's written evaluation.

**6. Arbitration After Rejection of Pro Bono Evaluator's Written Evaluation**

If the Private Adjudication Coordinator informs the parties of a notice of rejection of the pro bono evaluator's written evaluation, the Private Adjudication Coordinator will implement the arbitration process unless the claimant informs the Private Adjudication Coordinator and the UGL Trust in writing that the claim will no longer be pursued.

***B. Rules Governing Mediation***

**1. Selection of Mediator**

Within fifteen (15) days after receipt of the signed Affidavit of Completeness following a claimant's Demand for ADR electing mediation, the Private Adjudication Coordinator shall retain a mediator from a panel of neutrals kept by the Private Adjudication Coordinator.

Mediator assignments shall be made by the Private Adjudication Coordinator on a rotating basis among the national Trust panel of neutrals unless the parties agree otherwise. The parties may also agree to the selection of a mediator not on the panel. The Private Adjudication Coordinator shall schedule an initial mediation conference within sixty (60) days after receipt of the Certificate of Accuracy. The mediation will be conducted by telephone conference(s) unless the parties agree otherwise. Scheduling of the conference(s) shall be coordinated with the mediator.

**2. Time Limits; Submission of Materials to Mediator**

At least five (5) business days prior to the initial mediation conference, the claimant and the UGL Trust shall each submit to the mediator a confidential statement outlining the claimant's medical condition, Debtor Exposure, and each party's position on overall claim value. The parties may also submit to the mediator documents and medical reports from the claim file that they believe are relevant to the claim. The mediator shall review the claim and the positions of the parties and the other information that the parties submit prior to the initial mediation conference. The mediation statements shall comply with the following procedures: (a) The statement shall not exceed ten (10) double-spaced typewritten pages exclusive of attachments; and (b) the statement shall not introduce factual matter not contained in the claim file.

**3. Mediation Conference(s)**

Any party may be represented by legal counsel at the mediation conference(s). The mediator shall confer with the parties' legal representatives and, if the claimant is present and consents, with the claimant. A representative of the UGL Trust with settlement authority must participate in the conference(s). The mediator may request, but not require, that the claimant personally participate in the conference(s). If the claimant does not attend the mediation, the claimant's counsel must have settlement authority or must have arranged for consultation with the claimant during mediation in order for the claimant's counsel to obtain settlement authority.

**4. Negotiations at the Mediation Conference(s)**

The mediator may facilitate settlement in any manner the mediator believes is appropriate. The mediator will help the parties focus on their underlying interests, explore resolution alternatives and develop settlement options. The mediator will decide when to hold joint conferences, and when to confer separately with each party. The parties are expected to initiate and convey to the mediator proposals for settlement. Each party

shall provide a rationale for any settlement terms proposed. Finally, if the parties fail to develop mutually acceptable settlement terms, before terminating the procedure, and only with the consent of the parties, (a) the mediator may submit to the parties a final settlement proposal; and (b) if the mediator believes he/she is qualified to do so, the mediator may give the parties an evaluation (which if all parties choose, and the mediator agrees, may be in writing) of the likely outcome of the case if it were tried to final judgment, subject to any limitations under the TDP and ethical codes.

**5. Submission of Written Offers After Mediation**

At the conclusion of the mediation, the mediator shall require the parties to exchange written settlement offers that shall remain open for ten (10) days. The claimant and the UGL Trust will each communicate in writing to the mediator whether they accept the other party's written settlement offer. Within ten (10) days after the parties advise the mediator whether they accept the other party's written settlement offer, the mediator will send the parties and the Private Adjudication Coordinator a notice of completion of mediation and report if settlement is achieved. If settlement is reported, within three (3) business days of receipt of the notice of completion of mediation, the Private Adjudication Coordinator will confirm the settlement with the parties and the mediator. Upon confirmation of the settlement, the UGL Trust shall send the claimant a release within three (3) business days and pay the claim pursuant to the TDP and the UGL Trust's procedures.

**6. Arbitration After Mediation Without Settlement**

If the mediator issues a notice of completion of mediation without settlement, the Private Adjudication Coordinator will implement the arbitration process unless the claimant informs the Private Adjudication Coordinator and the UGL Trust in writing that the claim will no longer be pursued.

**III. RULES GOVERNING NON-BINDING AND BINDING ARBITRATION**

**A. *Election by the Claimant***

Under these ADR procedures, the claimant will have elected binding or non-binding arbitration at the time of the submission of the Demand for ADR.

**B. *Selection of the Arbitrator***

1. No more than fifteen (15) days after rejection by either party of the pro bono evaluator's written evaluation or receipt of the notice of completion of mediation without settlement or, if the claimant waived pro bono

evaluation and mediation, receipt of the signed Affidavit of Completeness, the Private Adjudication Coordinator shall select three potential arbitrators from a panel of neutrals kept by the Private Adjudication Coordinator. The Private Adjudication Coordinator will select the three potential arbitrators on a rotating basis among the national Trust panel of neutrals unless the parties agree otherwise. The parties may also agree to the selection of an arbitrator not on the panel. The Private Adjudication Coordinator shall maintain and keep the rotating list of neutrals. The Private Adjudication Coordinator shall promptly notify the arbitrators and the parties of the potential arbitrators' selection. If a potential arbitrator is unable or unwilling to serve, then a replacement selection will be made prior to notifying the UGL Trust and the claimant of the potential arbitrators selected.

2. Within seven (7) days of receipt by the UGL Trust of the list of potential arbitrators, the UGL Trust may select, and identify to the Private Adjudication Coordinator, one potential arbitrator to be stricken from the list. The Private Adjudication Coordinator shall then promptly notify the claimant of the UGL Trust's selection, whereupon, within seven (7) days of the receipt by the claimant of such notification, the claimant may select, and identify to the Private Adjudication Coordinator, a second potential arbitrator to be stricken from the list. The Private Adjudication Coordinator shall then notify all parties which potential arbitrator remains and will conduct the arbitration. If either the UGL Trust or the claimant, or both, fails to exercise the right to strike an arbitrator from the list of potential arbitrators, the Private Adjudication Coordinator shall appoint from those potential arbitrators remaining the arbitrator next in rotation on the UGL Trust's rotating list.
3. Any appointed arbitrator shall disclose to the Private Adjudication Coordinator any circumstances likely to affect impartiality including any bias or any financial or personal interest in the result of the arbitration or any past or present relationship with the parties or representatives. Upon receipt of such information from the arbitrator or another source, the Private Adjudication Coordinator shall communicate the information to the parties and, if the administrator deems necessary, to the arbitrator and others. Upon objection of a party to the continued service, the Private Adjudication Coordinator shall determine whether the arbitrator should be disqualified and shall inform the parties of the decision, which shall be final.

***C. Extraordinary Claims and Those Reviewed by the Extraordinary Claims Panel***

In the event that the Extraordinary Claims Panel has deemed the claim worthy of extraordinary treatment, the Private Adjudication Coordinator shall forward to the arbitrator the written decision of the Extraordinary Claims Panel, and the parties may submit a final request of up to a maximum extraordinary value of five (5) times the

Scheduled Value set forth in Section 5.2(b)(3) of the TDP for the claimant's Disease Level, except in the case of Disease Level VI (Lung Cancer 2), the claimant may request up to five times the Average Value. In such circumstances, the arbitrator may issue an award in accordance with such a final offer/request.

In the event that the Extraordinary Claims Panel declined to give extraordinary treatment to the claim, the arbitrator shall not be informed of the Extraordinary Claims Panel's decision, and the claimant must confine his/her award to the value ascribed to the type of injury in the TDP because the arbitrator may not award an amount in excess of the Maximum Value assigned to the appropriate category for the injury in the TDP. The UGL Trust will not engage in non-binding or binding arbitration, and reserves the unilateral right to withdraw from a signed non-binding or binding arbitration agreement at any time, where the claimant's final offer and award demand exceeds the Maximum Value assigned to the type of injury in the TDP and the Extraordinary Claims Panel has declined to give extraordinary treatment to the claim.

***D. Final Offer or "Baseball Style" Arbitration***

The parties shall stipulate as to the issue(s) to be submitted for arbitral decision. All binding and non-binding arbitration of the liquidated value of a claim shall be conducted in the "final offer" format also known as "baseball style" arbitration. In the course of submitting the arbitration materials, as explained in these rules, the parties shall submit their final offer of settlement which shall also serve as the party's demand for an arbitration award. The arbitrator must choose from one of these two demands in determining the amount of the arbitration award unless a party's demand for an arbitration award is in excess of what is permitted under the TDP and Section I.C above, in which case the demand will be deemed to be the maximum amount permitted under the TDP and Section I.C above.

In the event that the claimant and the UGL Trust submit a specific issue(s) other than the liquidated value of the claim to arbitration, the arbitrator shall decide the specific issue(s). The decision of the specific issue(s) could result in the resumption of the Individual Review process, depending on the arbitrator's decision.

***E. Submission of Pre-Hearing Statements***

Except as otherwise provided in the following paragraph, within twenty (20) days of the appointment of an arbitrator each party shall submit to the opposing party and to the arbitrator a written statement (not to exceed ten (10) double-spaced pages) containing that party's positions and arguments. Each party may then submit a supplement to its written statement (not to exceed five (5) double-spaced pages) following the initial pre-hearing conference to respond to the opposing party's positions and arguments and to address issues raised at the initial pre-hearing conference. Supplements must be sent to the opposing party and to the arbitrator within ten (10) days after the date of the initial pre-hearing conference.

To the extent the Trust or the claimant seeks to take discovery as permitted under the limited circumstances set forth in Section III.G below, within five (5) days of the appointment of an arbitrator, such party shall provide written notice to the other party and the Private Adjudication Coordinator advising of such party's intent to take discovery. The Private Adjudication Coordinator will promptly provide a copy of such written notice to the arbitrator. The parties shall confer and seek to reach agreement extending the deadlines set forth in these ADR procedures to permit the discovery. If the parties do not agree on the extension of the deadlines to take into account the discovery to be taken, then the arbitrator shall issue a scheduling order governing the process.

The Private Adjudication Coordinator will provide the arbitrator with the TDP, these ADR Procedures, a copy of the claim file, the Affidavit of Completeness and the Certificate of Accuracy. When transmitting this information, the UGL Trust claims processor and Private Adjudication Coordinator will use all reasonable and prudent efforts to ensure the claimant information remains confidential and protected.

***F. Initial Pre-Hearing Conference, Scheduling Arbitration Hearing***

1. Within fifteen (15) calendar days of the receipt of both party's briefs, the Private Adjudication Coordinator shall contact the claimant, the arbitrator, and the UGL Trust to schedule the initial pre-hearing conference. The initial 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 date of the arbitration hearing. The arbitration hearing shall be conducted by telephone conference call. The arbitration hearing should be scheduled not less than thirty (30) days, and not more than forty-five (45) days, from the date of the initial pre-hearing conference. The Private Adjudication Coordinator will mail or email a confirmation notice of this date to the claimant and the UGL Trust.
3. During the initial pre-hearing 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. any legal issues; and
  - c. any other matters that will expedite the arbitration proceedings.

If appropriate or if the parties do not agree on these issues, then the arbitrator must issue orders governing the process. Such orders may not conflict with the provisions of the TDP or these ADR Procedures.

**G. *No Discovery With Limited Exceptions***

There shall be no discovery except as specifically provided in this Section III.G. The purpose of the arbitration is to resolve differences between the UGL Trust and the claimant based only on the documents that have been previously submitted to the UGL Trust by the claimant and any other documents relied upon by the UGL Trust to make a settlement offer to the claimant or to disallow the claim. However, if the UGL Trust commissions an independent medical examination or a third-party medical review upon which the UGL Trust relies in evaluating the claimant's claim, then the claimant may depose the medical professional conducting the review or examination after having a reasonable opportunity to study any report or written opinion generated by the medical professional.

In addition, to the extent the arbitral issue involves alleged exposure outside of the geographic range of sales and distribution of United Gilsonite Laboratories' ("UGL") asbestos products as set forth in Section 5.5(b)(1)(B) of the TDP, the parties shall be permitted to subpoena the documents and records of a distributor or an end user for the purpose of determining that exposure issue. The party issuing the subpoena shall obtain a business records affidavit from a custodian or other qualified witness of the producing party providing testimony in accordance with Rule 803(6) of the Federal Rules of Evidence for any documents or records produced. The discovery permitted in this paragraph shall not include depositions, provided however, that (1) a deposition on written questions shall be permitted should the subpoenaed party refuse to execute a business records affidavit; and (2) to the extent the Trust questions the authenticity of any documents or records produced by a distributor or an end user, the Trust may pursue discovery on such issue, which may include written or oral depositions.

**H. *No Record of Proceedings***

Except as provided in paragraph III.K.2, there will be no record or transcript of the proceedings unless the arbitrator requests a transcript to assist him/her in reviewing the evidence or otherwise to aid in the decision making process. In the event an arbitrator requests a transcript prior to the arbitration, then the UGL Trust shall arrange for a court reporter and shall pay all expenses associated with the preparation of the transcript. In no event, however, will the transcript be made available to the parties, nor shall any time required for preparation of the transcript affect the time for the arbitrator to render a decision.

**I. *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.

**J. *Duration of Hearings***

The arbitrator shall complete the hearing in one day except for good cause shown. The arbitrator shall set time limits on the respective presentations, and shall enforce those set limits.

**K. *Procedure at Arbitration Hearing***

**1. No Testimony**

There shall be no testimony at the hearing.

**2. Conduct of Hearing**

The arbitration hearing shall be conducted by telephone conference call. At the opening of the arbitration hearing, the arbitrator shall make a written record of the time and date of the hearing, and the names of the parties and counsel participating in the hearing.

**3. Evidence**

**a. Rules of Evidence:** Except as otherwise provided herein, the arbitrator is not required to apply the rules of evidence used in judicial proceedings, provided, however that the arbitrator shall apply all relevant rules of privilege to the extent they apply in the Claimant's Jurisdiction. To the extent any party objects to the admission of documents or records produced through discovery conducted under Section III.G above, on the issue of the geographic range of sales and distribution of UGL's products, the arbitrator shall apply the Federal Rules of Evidence. The arbitrator shall determine the applicability of any privilege or immunity and the admissibility, relevance, materiality and weight of the evidence offered.

**b. Arbitral Record and Admission of Evidence:** The evidence that the arbitrator may consider shall be limited to the following:

- 1) The entire claim file, which shall include the entire Individual Review record (subject to subparagraph 3), all documents, materials and testimony provided to the UGL Trust by the claimant, documents and analysis relied on by the UGL Trust to make a settlement offer or to disallow the claim, the UGL Trust's written assessment, analysis and explanation of the claim which shall have been provided to the claimant and the claimant's response thereto, and the Notice of Completion of Individual Review containing the UGL Trust's final offer and the claimant's final demand;

- 2) At the sole election of the UGL Trust, underlying data that was used by the UGL Trust to make initial liquidated value offers on claims in the Individual Review Process, so long as such information has been provided to the claimant or his or her counsel ten (10) days prior to the arbitration proceeding as provided in Section 5.8(a) of the TDP;
- 3) Any additional deposition testimony of a medical professional allowable under Section III.G of these ADR procedures taken by the UGL Trust or the claimant, and provided to both sides at least ten (10) days prior to the commencement of the arbitration hearing;
- 4) If provided to both sides at least ten (10) days prior to the commencement of the arbitration hearing, any additional documents and records of a distributor or an end user as permitted under Section III.G of these ADR procedures, provided such documents and records are supported by a business records affidavit from a custodian or other qualified witness as required under Section III.G above, and any other documents and deposition testimony allowable under Section III.G above;
- 5) Affidavit of Completeness;
- 6) Certificate of Accuracy;
- 7) The TDP; and
- 8) Closing arguments of the claimant and the UGL Trust. The arguments shall be limited to the evidence contained and the issues raised in the documents or testimony referred to above and shall be limited to ½ hour for each party. The arbitrator shall disregard any effort to introduce further evidence or issues in argument.

***L. Arbitration in the Absence of a Party or Representative***

The claimant may choose whether or not to attend the arbitration in his/her sole discretion. The arbitration may proceed in the absence of any party or representative who, after due notice, chooses not to be present, fails to be present or fails to obtain a postponement if he/she desires to be present but cannot. An award shall not be made against a party solely for the failure to appear.

***M. Conclusion of Hearing and Submission of Post-Hearing Briefs***

When the parties state that they have no further evidence 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, and the other party to the arbitration, no later than ten (10) days after the hearing is closed. Such briefs shall be no longer than five (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 or the submission of post-hearing briefs, whichever is later.

***N. Option to Waive Oral Hearings***

The parties may request a waiver of oral hearings. Oral hearings will only be waived if all parties consent.

***O. Arbitration Decision***

1. The arbitrator shall issue a decision no later than fifteen (15) calendar days after the date of the close of the hearing or submission of post-hearing briefs, whichever is later.
2. For arbitration of the liquidated value of the claim, the decision shall state only the amount of the award, if any. The decision shall not state reasons for the award. An arbitrator shall not be permitted to award punitive, exemplary, trebled or other like damages or attorneys' fees, and prejudgment and post-judgment interest and costs shall not be sought or allowed. The award shall dispose of all monetary claims presented to the arbitrator and shall determine fully the issue to be decided pursuant to the arbitration agreement: the amount, if any, at which the claim value should be fixed.

For arbitration of a specific issue(s) other than the liquidated value of the claim, the arbitrator shall decide the specific issue(s) submitted by the parties and state the reasons for the decisions in a memorandum not to exceed one page in length.

Arbitrators evaluating non-Extraordinary Claims involving Disease Levels II – VIII, shall not return an award in excess of the Maximum Value for the appropriate Disease Level as set forth in Section 5.2(b)(3) of the TDP. In the case of an Extraordinary Claim involving Disease Levels IV – VIII, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim set forth in Section 5.3(a) of the TDP.

The arbitrator shall apply the same medical and exposure evidentiary requirements that are set forth in Section 5.5 of the TDP. For arbitrations involving the liquidated value of a claim involving Disease Levels II – VIII, the arbitrator shall consider the same valuation factors set forth in Section 5.2(b)(2) of the TDP.

**P. *Payment of Award***

Pursuant to the terms of the arbitration agreement, the UGL Trust will promptly send to the claimant the appropriate release. The UGL Trust will then pay the claim based upon the binding or, if accepted by both parties, the non-binding award, in accordance with the TDP provisions in effect at the time of payment and the UGL Trust's procedures.

**Q. *Rejection of Non-binding Award***

A party in a non-binding arbitration proceeding that wishes to reject the award must notify the other party within thirty (30) days from the date a non-binding award is issued. If no rejection is received or sent by the UGL Trust, then the decision will stand and the award will be deemed accepted by both parties and the UGL Trust will promptly send to the claimant the appropriate release. Upon receipt of the claimant's release, the UGL Trust will then pay the claim in accordance with the TDP provisions in effect at the time of payment and the UGL Trust's procedures.

**1. Procedure for Rejected Award**

- a. Rejection by Claimant:** If claimant has sent the UGL Trust timely notification of rejection of a non-binding award and wishes to pursue the claim through litigation, then the claimant must notify the UGL Trust through correspondence postmarked no later than sixty (60) days from the date of the non-binding award. If notification is received within the sixty (60) day deadline and claimant wishes to pursue the claim through litigation, then the UGL Trust will within fifteen (15) days of receipt of this notification send the claimant an authorization to commence litigation.
- b. Rejection by UGL Trust:** If the UGL Trust rejects the non-binding award, then the claimant may elect binding arbitration or request that the UGL Trust forward the authorization to commence litigation.

**IV. GENERAL ADR PROCEDURES GOVERNING NON-BINDING ARBITRATION AND BINDING ARBITRATION**

**A. *ADR Submissions***

The claimant's submissions will be reviewed by the Private Adjudication Coordinator before they are submitted to the pro bono evaluator, mediator, or arbitrator. If they contain materials not previously submitted in support of the claim, then the UGL Trust's claims processor will review the additional information and determine the effect, if any, it would have on the UGL Trust's

evaluation of the claim. In appropriate situations, a new offer may be made to the claimant.

If an attorney or other agent represents the claimant, both the attorney *and* the claimant must sign the Demand and Agreement for ADR. 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. Documentation of this legal designation will be required.

**B. *No Grouping or Bundling of Claims***

As a general matter, there shall be no grouping or bundling of claims by separate claimants at any stage of the ADR proceedings even if the claims are related and/or the claimants have the same counsel. Each claimant must proceed individually through the ADR proceedings with all claims that the claimant may have or represent. This provision is intended to separate claims of different exposed persons and has no effect upon multiple claims brought by a claimant's representative, such as heirs of a deceased worker. However, the UGL Trust, in its sole discretion, may decide that it would be expeditious to conduct an ADR proceeding with respect to more than one claim, provided that the pro bono evaluator, mediator or arbitrator individually values each such claim in accordance with the valuation factors set forth in Section 5.2(b)(2) of the TDP, and the respective claimants' separate positions in the UGL Trust's FIFO Processing and Payment Queues are maintained.

**C. *No Ex Parte Communication***

There shall be no *ex parte* communication between the pro bono evaluator or arbitrator and any counsel or party on any matter. All correspondence between the arbitrator and the parties will be facilitated by the Private Adjudication Coordinator.

**D. *Claims and Defenses***

All available claims and defenses which exist in the Claimant's Jurisdiction shall be available to both sides as permitted in the TDP.

**E. *Costs of ADR***

**1. *ADR Expense***

The UGL Trust will pay the fees of the mediator and/or arbitrator and will pay the reasonable out-of-pocket expenses of the pro bono evaluator or mediator, and/or arbitrator. The pro bono evaluator is a volunteer and thus no fee will be incurred. Claimants will pay their costs and attorney fees. To the extent any discovery is conducted as provided for under Section III.G above, each party shall bear its own costs related thereto.

**2. Filing Fee**

The claimant shall pay a filing fee of \$150.00 when submitting the written Demand and Agreement for ADR to the Private Adjudication Coordinator, which fee shall be refundable if the claimant prevails.

***F. Waiver of Objection to Rules Infraction***

Either party who continues with the pro bono evaluation, mediation, non-binding arbitration 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 pro bono evaluator, mediator or arbitrator, shall be deemed to have waived the right to object. A timely objection by a claimant or the UGL Trust must be stated in writing and sent to the other party and to the Private Adjudication Coordinator with instructions to forward the objection to the pro bono evaluator, mediator or arbitrator.

***G. Serving of Notices and Other Papers***

Each party to the arbitration agreements 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 their attorneys at their last known address;
2. By facsimile transmission, if a copy of the transmitted papers is mailed addressed to the party or their attorney at their last known address within twenty-four (24) hours of the facsimile transmission;
3. By electronic mail; or,
4. By personal service, within or without the jurisdiction where the ADR proceeding is to be held, whether the party is within or without the United States of America.

***H. Time Limits Triggered Upon Receipt***

1. Documents sent by U.S. mail under these rules shall be deemed received three (3) business days after the date of postmark. Documents sent via overnight courier shall be deemed received on the next business day after mailing.
2. Documents sent via facsimile transmission or electronic mail prior to 6:00 p.m. ET shall be deemed received on the business day that the transmission is sent.

***I. Exclusion of Liability***

The Private Adjudication Coordinator, pro bono evaluator, mediator, and arbitrator shall not be liable to any party for any act or omission in connection with any evaluation conducted under these rules.

***J. Application of ADR Procedures***

These ADR Procedures shall be deemed a part of, and incorporated by reference in, every duly executed ADR process under the TDP and shall be binding on all parties.

***K. Arbitrator Immunity***

Pro bono evaluators, mediators, and arbitrators who serve pursuant to these rules shall have the same immunity as judges for their official acts.

***L. Jurisdiction***

Any dispute under these rules shall be subject to the jurisdiction of the United States Bankruptcy Court for the Middle District of Pennsylvania (“***Bankruptcy Court***”).

***M. Statement of Confidentiality***

1. All ADR proceedings and information relating to the proceedings will be confidential. Neither party shall disclose the information obtained during the proceedings, nor the valuation placed on the case by a pro bono evaluator, mediator or arbitrator to anyone or use such information or valuation in any further proceeding except as necessary to maintain the UGL Trust’s obligation to report to the Bankruptcy Court and to provide ongoing evaluation by the UGL Trust. Except for documents prepared by a non-party which are introduced as evidence before a mediator or an arbitrator, any document prepared by another party, attorney or other participant in anticipation of the ADR is privileged and shall not be disclosed to any court or arbitrator or construed for any purpose as an admission against interest.
2. All ADR proceedings shall be deemed a settlement conference 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 proceedings the fact that there was an ADR proceeding, the nature or amount of the award, and written submissions may not be used for purposes of showing accord and satisfaction or res judicata. In binding arbitration, the decision of the arbitrator may be admissible in the event the claimant improperly seeks to litigate the claim. The binding arbitration award shall be admissible in support of a motion to enjoin such litigation or to enforce the binding arbitration award. No pro bono

evaluator, mediator or arbitrator 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.

***N. Amendments***

Except as otherwise ruled by the Bankruptcy Court, these rules, as they may from time to time be amended by the Trustee of the UGL Trust, with the consent of the TAC and the FCR, will be binding on all parties in the form in which they are in force on the date the claimant signs the Demand and Agreement for ADR.

***O. Time Limits***

The time limits included in these procedures are to be strictly enforced. Any time limit set forth herein may be extended by agreement of the parties or by the pro bono evaluator, mediator or arbitrator for cause shown. Any request for extension, however, shall first be made to the opposing party and then if the parties cannot agree, shall be submitted to the Private Adjudication Coordinator who will request a ruling from the pro bono evaluator, mediator or arbitrator.

Although the deadlines may be extended by agreement or for cause shown, failure to comply with a deadline without obtaining an extension may result in withdrawal of the claim. Promptly after a claimant fails to comply with a specified deadline without obtaining an extension, the UGL Trust shall send the claimant written notice of the failure to comply. If the claimant does not take any action on the claim, then thirty (30) days thereafter the claim will be deemed withdrawn under Section 6.3 of the TDP and is no longer eligible for the UGL Trust's ADR process.

**UNITED GILSONITE LABORATORIES ASBESTOS PERSONAL INJURY TRUST  
DEMAND AND AGREEMENT FOR ADR**

Name of Claimant			Name of Representative (if known)		
Address			Name of Firm (if applicable)		
			Representative's Address		
City	State	Zip Code	City	State	Zip Code
Phone No.			Phone No.		
E-mail Address:			E-mail Address:		
Social Security No. (last four digits)			Claim Number:		
The Claimant Elects (Check one):					
<input type="checkbox"/> <input type="checkbox"/> Pro Bono Evaluation		<input type="checkbox"/> <input type="checkbox"/> Mediation		<input type="checkbox"/> <input type="checkbox"/> Waiver of Pro Bono Evaluation and Mediation	
For pro bono evaluation, unless the line below is initialed, the undersigned waives anonymity of the claimant in the pro bono evaluation of this claim. The United Gilsonite Laboratories Asbestos Personal Injury Trust (the "Trust") encourages leaving this line blank and waiving anonymity so that medical records may be transmitted in their original form. _____					
The Claimant Elects (Check one):					
<input type="checkbox"/> <input type="checkbox"/> Binding Arbitration			<input type="checkbox"/> <input type="checkbox"/> Non-binding Arbitration		
<p>I, _____ (insert name) ("Claimant") who has filed a proof of claim with the Trust, hereby submit this Demand and Agreement for ADR to the Trust demanding arbitration of the claim, as provided by Section 5.8 of the First Amended United Gilsonite Laboratories Asbestos Personal Injury Trust Distribution Procedures (as may be amended from time to time, the "TDP"). I confirm that I have received a copy of the Trust's Alternative Dispute Resolution (ADR) Procedures (the "ADR Procedures"), which are deemed a part of and incorporated into this Demand and Agreement for ADR. I understand that the ADR Procedures will govern the pro bono evaluation, mediation, and binding or non-binding arbitration and agree to abide by the ADR Procedures. I FURTHER UNDERSTAND THAT IF I SELECT BINDING ARBITRATION, I WILL WAIVE MY RIGHTS TO LITIGATE MY CLAIM IN COURT, INCLUDING THE RIGHT TO TRIAL BY JURY, AND I WILL BE BOUND BY THE ARBITRATION AWARD.</p> <p>The Claimant understands that the Trust has adopted procedures for pro bono evaluation and mediation as an alternative dispute resolution mechanism for use prior to arbitration. The Claimant may elect to submit to either pro bono evaluation or mediation, or the Claimant may waive the option and proceed directly to arbitration. The Claimant elects pro bono evaluation or mediation by checking the appropriate box above. If pro bono evaluation or mediation does not result in settlement of the claim, the Claimant retains the right to arbitration. Whether or not the Claimant elects to submit to pro bono evaluation or mediation or waives submission to both, the Claimant must elect binding or non-binding arbitration when submitting this Demand and Agreement for ADR.</p>					
Respectfully submitted,					
_____ Signed by Claimant		_____ Date		_____ Signed by Attorney for Claimant	
				_____ Date	

This Demand and Agreement for ADR may be mailed, faxed, or e-mailed to the Private Adjudication Coordinator at the below address. In addition, to initiate the Trust's ADR process, the claimant must pay an administrative fee of \$150.00, payable by check made out to the "United Gilsonite Laboratories Asbestos Personal Injury Trust" and mailed to the Private Adjudication Coordinator at the below address.

Claims Processing Facility, Inc.

Attn: Bambi Leonard, Private Adjudication Coordinator for the  
United Gilsonite Laboratories Asbestos Personal Injury Trust

East West Corporate Center

1171 W. Diehl Road, Suite 220

Naperville, Illinois 60563

FAX: (630) 281-6800

E-Mail: [bambi.leonard@cpf-inc.com](mailto:bambi.leonard@cpf-inc.com)

STATE OF \_\_\_\_\_ )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

**AFFIDAVIT OF COMPLETENESS**

I, \_\_\_\_\_, as the person [or legal representative of the person] who has filed a claim against the United Gilsonite Laboratories Asbestos Personal Injury Trust (the “*UGL Trust*” or the “*Trust*”), being duly sworn, depose and say:

I verify that all information with respect to my Trust Claim that will be considered in the Alternative Dispute Resolution (“*ADR*”) process has been previously provided to the UGL Trust and that

I have furnished all information which I wish to be considered in the valuation of claim number \_\_\_\_\_, except to the extent that other evidence may be admitted pursuant to Section III.K.3.b of the Trust’s ADR Procedures.

I certify (or declare) under penalty of perjury, that the foregoing is true and correct.

By \_\_\_\_\_  
Claimant or Legal Representative of Claimant

Date \_\_\_\_\_

Sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**CERTIFICATE OF ACCURACY**

I, \_\_\_\_\_, on behalf of the United Gilsonite Laboratories Asbestos Personal Injury Trust, certify:

Attached to this certification is, to the best of my knowledge, a true and accurate copy of the complete claim file for Claim No. \_\_\_\_\_, including all exhibits and documents submitted by the claimant in support thereof, except that with respect to the claim file submitted by a claimant requesting pro bono evaluation, the name of claimant's counsel and, if requested in writing by the claimant, the name of the claimant, has been redacted.

\_\_\_\_\_  
United Gilsonite Laboratories Asbestos Personal  
Injury Trust counsel

Date: \_\_\_\_\_