

**QUIGLEY COMPANY, INC.**  
**ASBESTOS PI TRUST DISTRIBUTION PROCEDURES**

**TABLE OF CONTENTS**

	<u>Page</u>
SECTION I INTRODUCTION .....	1
Section 1.1 Purpose.....	1
Section 1.2 Interpretation.....	1
Section 1.3 Definitions.....	1
SECTION II OVERVIEW.....	1
Section 2.1 Asbestos PI Trust Goals.....	1
Section 2.2 Claims Liquidation Procedures — General Overview .....	2
(a) General Process for Liquidation of Asbestos PI Claims.....	2
(b) Unresolved Disputes .....	3
Section 2.3 Application of the Payment Percentage .....	3
Section 2.4 Asbestos PI Trust’s Determination of the Maximum Annual Payment and Maximum Available Payment.....	4
Section 2.5 Claims Payment Ratio.....	5
Section 2.6 (Intentionally Omitted) .....	7
Section 2.7 Indirect Asbestos PI Claims.....	7
SECTION III ASBESTOS TDP ADMINISTRATION .....	8
Section 3.1 Asbestos PI Trust Advisory Committee and Future Demand Holders’ Representative.....	8
Section 3.2 Consent and Consultation Procedures .....	8
SECTION IV PAYMENT PERCENTAGE; PERIODIC ESTIMATES.....	8
Section 4.1 Uncertainty of Quigley’s Personal Injury Asbestos Liabilities .....	8
Section 4.2 Computation of Payment Percentage.....	9
Section 4.3 Applicability of the Payment Percentage.....	10
SECTION V RESOLUTION OF ASBESTOS PI CLAIMS.....	12
Section 5.1 Ordering, Processing and Payment of Claims .....	12
(a) Ordering of Claims .....	12
(1) Establishment of the FIFO Processing Queue .....	12
(2) Effect of Statutes of Limitation and Repose .....	12
(b) Processing of Claims.....	13
(c) Payment of Claims.....	13
Section 5.2 Resolution of Pre-Petition Liquidated Asbestos PI Claims .....	14
(a) Processing and Payment .....	14
(b) Marshalling of Security.....	16
Section 5.3 Resolution of Unliquidated Asbestos PI Claims.....	16
(a) Expedited Review Process - Asbestos PI Claims .....	16
(1) In General.....	16

	(2)	Claims Processing under Expedited Review for Asbestos PI Claims .....	17
	(3)	Disease Levels, Scheduled Values and Medical/Exposure Criteria for Asbestos PI Claims.....	17
	(b)	Individual Review Process for Asbestos PI Claims.....	21
	(1)	In General.....	21
	(2)	Valuation Factors to be Considered in Individual Review .....	22
	(3)	Scheduled, Average, and Maximum Values.....	23
Section 5.4		Categorizing Claims as Extraordinary and/or Exigent Hardship.....	24
	(a)	Extraordinary Claims .....	24
	(b)	Exigent Hardship Claims .....	25
Section 5.5		Secondary Exposure Claims .....	25
Section 5.6		Indirect Asbestos PI Claims.....	25
Section 5.7		Evidentiary Requirements.....	27
	(a)	Medical Evidence - Asbestos PI Claims.....	27
	(1)	In General.....	27
	(2)	Credibility of Medical Evidence.....	28
	(b)	Exposure Evidence - Asbestos PI Claims.....	28
	(1)	In General.....	28
	(2)	Significant Occupational Exposure.....	29
	(3)	Quigley Exposure.....	29
Section 5.8		Claims Audit Program .....	30
Section 5.9		Second Disease (Malignancy) Claims .....	30
Section 5.10		Arbitration.....	30
	(a)	Establishment of ADR Procedures .....	30
	(b)	Claims Eligible for Arbitration .....	31
	(c)	Limitations on and Payment of Arbitration Awards.....	31
Section 5.11		Litigation.....	31
SECTION VI CLAIMS MATERIALS .....			32
Section 6.1		Claims Materials .....	32
Section 6.2		Content of Claims Materials .....	32
Section 6.3		Withdrawal or Deferral of Claims .....	32
Section 6.4		Filing Requirements and Fees.....	33
Section 6.5		Confidentiality of Claimants' Submissions .....	33
SECTION VII GUIDELINES FOR LIQUIDATING AND PAYING CLAIMS .....			34
Section 7.1		Showing Required.....	34
Section 7.2		Costs Considered .....	34
Section 7.3		Discretion to Vary the Order and Amounts of Payments in Event of Limited Liquidity.....	34
Section 7.4		Punitive Damages .....	35
Section 7.5		Sequencing Adjustment .....	35
	(a)	In General.....	35
	(b)	Unliquidated Asbestos PI Claims .....	35
	(c)	Liquidated Pre-Petition Asbestos PI Claims.....	36
Section 7.6		Suits in the Tort System.....	36

Section 7.7 Payment of Judgments for Money Damages .....36  
Section 7.8 Releases.....37  
Section 7.9 Third-Party Services .....37  
Section 7.10 Asbestos PI Trust Disclosure of Information.....37  
SECTION VIII MISCELLANEOUS ..... 38  
Section 8.1 Amendments .....38  
Section 8.2 Severability .....38  
Section 8.3 Governing Law .....38

**QUIGLEY COMPANY, INC.**  
**ASBESTOS PI TRUST DISTRIBUTION PROCEDURES**

The QUIGLEY COMPANY, INC. ASBESTOS PI TRUST DISTRIBUTION PROCEDURES (“Asbestos TDP”) contained herein provide for resolving all Asbestos PI Claims (as that term is defined herein and in the Quigley Company, Inc. Fifth Amended and Restated Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (“Plan”)) as provided in and required by the Plan and by the Quigley Company, Inc. Asbestos PI Trust Agreement (“Asbestos PI Trust Agreement”). The Plan and Asbestos PI Trust Agreement establish the Quigley Company, Inc. Asbestos PI Trust (“Asbestos PI Trust”). The Trustees of the Asbestos PI Trust (“Trustees”) shall implement and administer this Asbestos TDP in accordance with the Asbestos PI Trust Agreement.

SECTION I

Introduction

Section 1.1 Purpose

This Asbestos TDP has been adopted pursuant to the Asbestos PI Trust Agreement. It is designed to provide fair, equitable and substantially similar treatment for all Asbestos PI Claims that may presently exist or may arise in the future.

Section 1.2 Interpretation

Except as may otherwise be provided below, nothing in this Asbestos TDP shall be deemed to create a substantive right for any claimant. The rights and benefits provided herein to holders of Asbestos PI Claims shall vest in such holders as of the Effective Date.

Section 1.3 Definitions

Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Plan or in the Asbestos PI Trust Agreement.

SECTION II

Overview

Section 2.1 Asbestos PI Trust Goals

The goal of the Asbestos PI Trust is to treat all claimants equitably. This Asbestos TDP furthers that goal by setting forth procedures for processing and paying Quigley’s several share of the unpaid portion of the liquidated value of Asbestos PI Claims on an impartial, first in first out (“FIFO”) basis generally, with the intention of paying all claimants over time as equivalent a

*Original TDP dated 7/2/2013*

*First Amendment to the Quigley Company Inc., Asbestos PI Trust TDP amending Section 5.3(a)(3) dated 10/12/15*

*Second Amendment to the Quigley Company Inc., Asbestos PI Trust TDP amending Section 2.5 dated 6/26/17*

*Third Amendment to the Quigley Company Inc., Asbestos PI Trust TDP amending Section 6.3 dated 2/7/2018*

*Fourth Amendment to the Quigley Company Inc., Asbestos PI Trust TDP amending Sections 5.3(a)(3) and 5.7(a)(1)(A)*

share as possible of the value of their claims based on historical values for substantially similar claims in the tort system. To this end, this Asbestos TDP establishes a schedule of seven asbestos-related diseases (“Disease Levels”) for the resolution of Asbestos PI Claims. All Disease Levels have presumptive medical and exposure requirements (“Medical/Exposure Criteria”), six have specific liquidated values (“Scheduled Values”), and all seven have anticipated average values (“Average Values”) and caps on their liquidated values (“Maximum Values”). The Disease Levels, Medical/Exposure Criteria, Scheduled Values, Average Values and Maximum Values, which are set forth in Section 5.3 below, have all been selected and derived with the intention of achieving a fair allocation of the Asbestos PI Trust funds as among claimants suffering from different disease processes in light of the best available information considering the settlement histories of Quigley and the rights claimants would have in the tort system absent the Chapter 11 bankruptcy. A claimant may not assert more than one Asbestos PI Claim hereunder.

## Section 2.2 Claims Liquidation Procedures — General Overview

Asbestos PI Claims shall be processed based on their place in a FIFO Processing Queue to be established pursuant to Section 5.1(a)(1) below. The Asbestos PI Trust shall take all reasonable steps to resolve Asbestos PI Claims as efficiently and expeditiously as possible at each stage of claims processing and arbitration, which steps may include, in the Asbestos PI Trust’s sole discretion, conducting settlement discussions with claimants’ representatives with respect to more than one claim at a time, provided that the claimants’ respective positions in the FIFO Processing Queue are maintained and each claim is individually evaluated pursuant to the valuation factors set forth in Section 5.3(b)(2) below. The Asbestos PI Trust shall also make every effort to resolve each year at least that number of Asbestos PI Claims required to exhaust the Maximum Annual Payment and the Maximum Available Payment for Category A and Category B claims, as those terms are defined below.

### (a) General Process for Liquidation of Asbestos PI Claims

The Asbestos PI Trust shall liquidate all Asbestos PI Claims except Foreign Claims (as defined below) that meet the presumptive Medical/Exposure Criteria of Disease Levels I-IV, VI, and VII under the Expedited Review Process described in Section 5.3(a) below. Claims involving Disease Levels I-IV, VI, and VII that do not meet the presumptive Medical/Exposure Criteria for the relevant Disease Level may undergo the Asbestos PI Trust’s Individual Review Process described in Section 5.3(b) below. In such case, notwithstanding that the claim does not meet the presumptive Medical/Exposure Criteria for the relevant Disease Level, the Asbestos PI Trust can offer the claimant an amount up to the Scheduled Value of that Disease Level if the Asbestos PI Trust is satisfied that the claimant has presented a claim that would be cognizable and valid in the tort system.

Asbestos PI Claims involving Disease Levels III-VII tend to raise more complex valuation issues than the claims in Disease Levels I-II. Accordingly, in lieu of liquidating such claimant’s claim under the Expedited Review Process, claimants holding Asbestos PI Claims involving Disease Levels III, IV, VI or VII may, in addition or alternatively, seek to establish a liquidated value for the claim that is greater than its Scheduled Value by electing the Asbestos PI Trust’s Individual Review Process. However, the liquidated value of a more serious Disease

Level III, IV, VI, or VII claim that undergoes the Individual Review Process for valuation purposes may be determined to be less than its Scheduled Value, and, in any event, shall not exceed the Maximum Value for the relevant Disease Level set forth in Section 5.3(b)(3) below, unless the claim qualifies as an Extraordinary Claim as defined in Section 5.4(a) below, in which case its liquidated value cannot exceed the maximum extraordinary value specified in that provision for such claims. Level V (Lung Cancer 2) claims and all Foreign Claims may be liquidated only pursuant to the Asbestos PI Trust's Individual Review Process.

Based upon Quigley's claims settlement histories in light of applicable tort law and current projections of present and future unliquidated claims, the Scheduled Values and Maximum Values for Asbestos PI Claims set forth in Section 5.3(b)(3) have been established for each of the four more serious Disease Levels that are eligible for Individual Review of their liquidated values, with the expectation that the combination of settlements at the Scheduled Values and those resulting from the Individual Review Process should result in the Average Values also set forth in that provision.

(b) Unresolved Disputes

All unresolved disputes over a claimant's medical condition, exposure history and/or the liquidated value of the claim shall be subject to binding or non-binding arbitration as set forth in Section 5.10 below, at the election of the claimant, under the ADR Procedures to be established by the Asbestos PI Trust. Asbestos PI Claims that are the subject of a dispute with the Asbestos PI Trust that cannot be resolved by non-binding arbitration may enter the tort system as provided in Sections 5.11 and Section 7.6 below. However, if and when a claimant obtains a judgment in the tort system, the judgment shall be payable (subject to the Payment Percentage, the Maximum Available Payment, and the Claims Payment Ratio provisions set forth below) as provided in Section 7.7 below.

Section 2.3 Application of the Payment Percentage

After the liquidated value of an Asbestos PI Claim is determined pursuant to the procedures set forth herein for Expedited Review, Individual Review, arbitration, or litigation in the tort system, the claimant shall ultimately receive a pro rata share of that value based on the Payment Percentage as described and defined in Section 4.2 below. The Payment Percentage shall also apply to all Pre-Petition Liquidated Asbestos PI Claims as provided in Sections 4.2 and 5.2 below, to all Asbestos PI Deficiency Claims and to all sequencing adjustments paid pursuant to Section 7.5 below.

The initial Payment Percentage has been calculated on the assumption that the Average Values set forth in Section 5.3(b)(3) below shall be achieved with respect to existing present claims and projected future claims involving Disease Levels III-VII.

The Payment Percentage may thereafter be adjusted upwards or downwards from time to time by the Asbestos PI Trust with the consent of the Trust Advisory Committee and Future Demand Holders' Representative to reflect then-current estimates of the Asbestos PI Trust's assets and its liabilities, as well as the then-estimated value of pending and future Asbestos PI Claims. Any adjustment to the initial Payment Percentage shall be made only pursuant to

Section 4.2 below. If the Payment Percentage is increased over time, claimants whose claims were liquidated and paid in prior periods under this Asbestos TDP shall receive additional payments only as provided in Section 4.3 below. Because there is uncertainty in the prediction of both the number and severity of future Asbestos PI Claims, and the amount of the Asbestos PI Trust's assets, no guarantee can be made of any Payment Percentage of an Asbestos PI Claim's liquidated value.

#### Section 2.4 Asbestos PI Trust's Determination of the Maximum Annual Payment and Maximum Available Payment

After calculating the initial Payment Percentage and thereafter if the Payment Percentage is adjusted pursuant to Section 4.2, the Asbestos PI Trust shall model the cash flow, principal and income year-by-year to be paid over the entire life of the Asbestos PI Trust to ensure that all present and future holders of Asbestos PI Claims are and will be compensated at the appropriate Payment Percentage consistent with the overall goal. In each year, based upon the model of cash flow, the Asbestos PI Trust shall be empowered to pay out the portions of its funds payable for that year according to the model (the "Maximum Annual Payment"). The Asbestos PI Trust's distributions to all claimants for that year shall not exceed the Maximum Annual Payment for such year. The Payment Percentage and the Maximum Annual Payment figures are based on projections over the lifetime of the Asbestos PI Trust. As noted in Section 2.3 above, if such long-term projections are revised, the Payment Percentage may be adjusted accordingly, and if so, the Asbestos PI Trust shall create a new model of the Asbestos PI Trust's anticipated cash flow and a new calculation of the Maximum Annual Payment figures.

However, year-to-year variations in the Asbestos PI Trust's flow of claims or the value of its assets, including earnings thereon, will not necessarily mean that the long-term projections are inaccurate; they may simply reflect normal variations, both up and down, from the curve created by the Asbestos PI Trust's long-term projections. If, in a given year, however, asset values, including earnings thereon, are below projections, the Asbestos PI Trust may need to distribute less in that year than would otherwise be permitted based on the original Maximum Annual Payment derived from long-term projections. Accordingly, the original Maximum Annual Payment for a given year may be temporarily decreased if the present value of the relevant assets of the Asbestos PI Trust as measured on a specified date during the year is less than the present value of those assets projected for that date by the cash flow model described in the foregoing paragraph. The Asbestos PI Trust shall make such a comparison whenever the Trustee becomes aware of any information that suggests that such a comparison should be made and, in any event, no less frequently than once every six months. If the Asbestos PI Trust determines that as of the date in question, the present value of the Asbestos PI Trust's assets is less than the projected present value of its assets for such date, then it will remodel the cash flow year by year to be paid over the life of the Asbestos PI Trust based upon the reduced value of the total assets as so calculated and identify the reduced portion of its funds to be paid for that year, which shall become the Temporary Maximum Annual Payment (additional reductions in the Maximum Annual Payment can occur during the course of that year based upon subsequent calculations).

If in any year a Maximum Annual Payment was temporarily reduced as a result of an earlier calculation and, based upon a later calculation, the differential between the projected present value of the Asbestos PI Trust's assets and the actual present value of its assets has

decreased, the Temporary Maximum Annual Payment shall be increased to reflect the decrease in the differential. In no event, however, shall a Temporary Maximum Annual Payment exceed the original Maximum Annual Payment. As a further safeguard, the Asbestos PI Trust's distributions during the first nine (9) months of a year shall not exceed 85% of the Maximum Annual Payment determined for that year. If on December 31 of any given year the Asbestos PI Trust is employing a Temporary Maximum Annual Payment rather than the original Maximum Annual Payment for the year, the original Maximum Annual Payment for the following year shall be reduced appropriately.

In distributing the Maximum Annual Payment, the Asbestos PI Trust shall first allocate the amounts available for payment to claims in the following three categories: (a) any outstanding Pre-Petition Liquidated Asbestos PI Claims, (b) any Asbestos PI Claims that are liquidated by the Asbestos PI Trust and both (i) based on a diagnosis dated prior to the Effective Date and (ii) subsequently filed with the Asbestos PI Trust within one year following the date the Asbestos PI Trust first accepts for processing the proof of claim forms and other materials required to file a claim with the Asbestos PI Trust ("Existing Claims"), and (c) any Exigent Hardship Claims (as defined in Section 5.4(b) below).

If the Maximum Annual Payment is insufficient to pay all claims in the immediately foregoing categories (a), (b), and (c) to which that Maximum Annual Payment applies, then claims shall be paid in proportion to the aggregate value of each group of claims, and the available funds allocated to each group of claims shall be paid to the maximum extent to claimants in the particular group based on their place in their respective FIFO Payment Queue. Claims in any group for which there are insufficient funds shall be carried over to the next year and placed at the head of the FIFO Payment Queue. If there is a decrease in the Payment Percentage prior to the payment of such claims, any such claims shall, nevertheless, be entitled to be paid at the Payment Percentage that they would have been entitled to receive but for the application of the Maximum Annual Payment. The remaining portion of the Maximum Annual Payment (the "Maximum Available Payment"), if any, shall then be allocated and used to satisfy all other liquidated Asbestos PI Claims, subject to the Claims Payment Ratio set forth in Section 2.5 below; provided, however, that if the Maximum Annual Payment is reduced during a year pursuant to the provisions above, the Maximum Available Payment shall be adjusted accordingly. Claims in the groups described in (a), (b), and (c) above shall not be subject to the Claims Payment Ratio.

#### Section 2.5 Claims Payment Ratio

Based upon Quigley's claims settlement histories and analysis of present and future claims, a Claims Payment Ratio has been determined which, as of the Effective Date, has been set at 83% for Category A claims, which consist of Asbestos PI Claims involving severe asbestosis and malignancies (Disease Levels III-VII), and at 17% for Category B claims, which are Asbestos PI Claims involving non-malignant Asbestosis or Pleural Disease (Disease Levels I and II).

In each year, after the determination of the Maximum Available Payment described in Section 2.4 above, 83% of each Maximum Available Payment amount shall be available to pay Category A claims and 17% of that amount shall be available to pay Category B claims that have



been liquidated since the Petition Date except for claims that have been liquidated which, pursuant to Section 2.4 above, are not subject to the Claims Payment Ratio; provided, however, that if the Maximum Annual Payment is reduced during the year pursuant to the provisions of Section 2.4 above, the amounts available to pay Category A and Category B claims shall be recalculated based on the adjusted Maximum Available Payment.

In the event that there are insufficient funds in any year to pay the liquidated claims within either or both of the Categories, the available funds allocated to the particular Category shall be paid to the maximum extent to claimants in that Category based on their place in the FIFO Payment Queue described in Section 5.1(c) below, which shall be based upon the date of claim liquidation. Claims for which there are insufficient funds allocated to the relevant Category shall be carried over to the next year where they shall be placed at the head of the FIFO Payment Queue. If there is a decrease in the Payment Percentage prior to the payment of such claims, such claims shall, nevertheless, be entitled to be paid at the Payment Percentage that they would have been entitled to receive but for the application of the Claims Payment Ratio. If there are excess funds in either or both Categories, because there is an insufficient amount in liquidated claims to exhaust the Maximum Available Payment for that Category, then the excess funds for either or both Categories shall be rolled over and remain dedicated to the respective Category to which they were originally allocated. During the first nine months of a given year, the Asbestos PI Trust's payments to claimants in a Category shall not exceed the amount of any excess funds that were rolled over for such Category from the prior year plus 85% of the amount that would otherwise be available for payment to claimants in such Category.

The 83%/17% Claims Payment Ratio and its rollover provision shall be continued absent circumstances necessitating amendment to avoid a manifest injustice. In considering whether to make any amendments to the Claims Payment Ratio and/or its rollover provisions, the Trustees shall consider the reasons for which the Claims Payment Ratio and its rollover provisions were adopted, the settlement histories that gave rise to its calculation, and the foreseeability or lack of foreseeability of the reasons why there would be any need to make an amendment. In that regard, the Trustees should keep in mind the interplay between the Payment Percentage and the Claims Payment Ratio as it affects the net cash actually paid to claimants.

The Claims Payment Ratio shall not be amended until the first anniversary of the date the Asbestos PI Trust first accepts for processing proof of claim forms and the other materials required to file a claim with the Asbestos PI Trust. In any event, no amendment to the Claims Payment Ratio to reduce the percentage allocated to Category "A" claims may be made without the unanimous consent of the Trust Advisory Committee and Future Demand Holders' Representative, and the percentage allocated to Category A claims may not be increased without the consent of the Trust Advisory Committee and Future Demand Holders' Representative. The consent procedures set forth in Sections 6.06 and 7.07 of the Asbestos PI Trust Agreement shall apply in the event of any amendments to the Claims Payment Ratio. The Trust, with the consent of the Trust Advisory Committee and Future Demand Holders' Representative, may offer the option of a reduced Payment Percentage to holders of claims in either Category A or Category B in return for prompter payment (the "Reduced Payment Option").

Notwithstanding any other provision herein, commencing in calendar year 2017, the Asbestos PI Trust shall cease enforcing the Claims Payment Ratio provisions in this Asbestos

TDP subject to the ability of the Trustees, any member of the Trust Advisory Committee, or the Future Demand Holders' Representative to reinstate the enforcement of the provisions in the manner provided below. During the time when the Asbestos PI Trust is not enforcing the Claims Payment Ratio, it shall continue to track and maintain records regarding the funds allocated to Category A and to Category B and the payment and approval of claims with respect thereto.

Within thirty (30) days following the end of each calendar year during which the Asbestos PI Trust is not enforcing the Claims Payment Ratio, the Asbestos PI Trust shall provide to the Trust Advisory Committee and the Future Demand Holders' Representative a report showing (a) the amount of money allocated to Category A and to Category B for the prior year, (b) the amounts paid with respect to claims during such year that would have been subject to the Claims Payment Ratio in each Category and (c) the amounts approved for payment (but not yet paid) as of December 31 of such year with respect to claims that would have been subject to the Claims Payment Ratio in each Category, with such amounts broken down between those claims for which offers were outstanding as of December 31 of such year and those for which offers had not yet been made as of such date. Each member of the Trust Advisory Committee and the Future Demand Holders' Representative shall then have fifteen (15) days from his or her date of receipt of the report to notify the Asbestos PI Trust that he or she is exercising his or her right to have the Asbestos PI Trust begin enforcing the Claims Payment Ratio effective as of January 1 of the then current calendar year. In addition, the Trustees shall have fifteen (15) days from the date the Asbestos PI Trust sends the report to the Trust Advisory Committee and the Future Demand Holders' Representative to exercise their right to reinstate the enforcement of the Claims Payment Ratio effective as of January 1 of the then current calendar year. If the Trustees exercise their right or if the Asbestos PI Trust receives a reinstatement notice from any Trust Advisory Committee member or the Future Demand Holders' Representative, the Asbestos PI Trust shall immediately begin enforcing the Claims Payment Ratio. If the enforcement of the Claims Payment Ratio is reinstated, all provisions of this Asbestos TDP relating to the Claims Payment Ratio shall be in effect, but any deficits from the prior year in either Category shall be ignored and any rollover amounts shall be allocated between the two Categories based upon the 83%/17% Claims Payment Ratio.

Section 2.6 (Intentionally Omitted)

Section 2.7 Indirect Asbestos PI Claims

As set forth in Section 5.6 below, Indirect Asbestos PI Claims, if any, shall be subject to the same categorization, evaluation and payment provisions of this Asbestos TDP as all other Asbestos PI Claims.

## SECTION III

### Asbestos TDP Administration

#### Section 3.1 Asbestos PI Trust Advisory Committee and Future Demand Holders' Representative

Pursuant to the Plan and the Asbestos PI Trust Agreement, the Asbestos PI Trust and this Asbestos TDP shall be administered by the Trustees in consultation with the Trust Advisory Committee, which represents the interests of holders of present Asbestos PI Claims, and the Future Demand Holders' Representative, who shall serve in a fiduciary capacity for the purpose of protecting the rights of Future Demand Holders in accord with 11 U.S.C. § 524(g). The Trustees shall obtain the consent of the Trust Advisory Committee and the Future Demand Holders' Representative to any amendments to this Asbestos TDP pursuant to Section 8.1 below and to such other matters as are otherwise required below and in Section 3.02(f) of the Asbestos PI Trust Agreement. The Trustees shall also consult with the Trust Advisory Committee and the Future Demand Holders' Representative on such matters as are provided below and in Section 3.02(e) of the Asbestos PI Trust Agreement. The initial Trustees, the initial members of the Trust Advisory Committee, and the initial Future Demand Holders' Representative are identified in the Asbestos PI Trust Agreement.

#### Section 3.2 Consent and Consultation Procedures

In those circumstances in which consultation or consent is required, the Trustees shall provide written notice to the Trust Advisory Committee and the Future Demand Holders' Representative of the specific amendment or other action that is proposed. The Trustees shall not implement such amendment nor take such action unless and until the parties have engaged in the Consultation Process described in Sections 6.06(a) and 7.07(a) of the Asbestos PI Trust Agreement, or the Consent Process described in Sections 6.06(b) and 7.07(b) of the Asbestos PI Trust Agreement, respectively.

## SECTION IV

### Payment Percentage; Periodic Estimates

#### Section 4.1 Uncertainty of Quigley's Personal Injury Asbestos Liabilities

As discussed above, there is inherent uncertainty regarding Quigley's total asbestos-related tort liabilities, as well as the total value of the assets available to the Asbestos PI Trust to pay Asbestos PI Claims. Consequently, there is inherent uncertainty regarding the amounts that holders of Asbestos PI Claims shall receive. To seek to ensure substantially equivalent treatment of all present and future Asbestos PI Claims, the Trustees must determine from time to time the percentage of full liquidated value that holders of present and future Asbestos PI Claims shall be likely to receive, *i.e.*, the "Payment Percentage" described in Section 2.3 above and Section 4.2 below.

## Section 4.2 Computation of Payment Percentage

All Asbestos PI Claims shall be entitled to receive a distribution based on the then-applicable Payment Percentage for the Quigley direct claim except as provided herein. The Payment Percentage for the Quigley direct claim shall initially be 7.5% of full liquidated value of the Claims as specified herein. The Payment Percentage for the Pfizer derivative claim shall initially be 23% of full liquidated value as specified herein. Because the Releasing Asbestos PI Claimants are entitled to receive payment for the Quigley direct claim and not for the Pfizer derivative claim, the Payment Percentage for all Releasing Asbestos PI Claimants shall initially be 7.5% of full liquidated value of the Claims as specified herein. Because the Non-Releasing Asbestos PI Claimants are entitled to receive payment for both the Quigley direct claim and the Pfizer derivative claim, the Payment Percentage for all Non-Releasing Asbestos PI Claimants shall initially be 30.5% (which is comprised of 7.5% initially for the Quigley direct claim and 23% initially for the Pfizer derivative claim) of full liquidated value as specified herein. The Payment Percentage shall be subject to change pursuant to the terms of this Asbestos TDP and the Asbestos PI Trust Agreement if the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, determine that the Payment Percentage should be changed to assure that the Asbestos PI Trust shall be in a financial position to pay holders of present and future Asbestos PI Claims in substantially the same manner. In making adjustments to the Payment Percentage, the Asbestos PI Trust shall ensure that (i) Releasing Asbestos PI Claimants and Non-Releasing Asbestos PI Claimants shall receive the same Payment Percentage, applicable at the time that such Asbestos PI Claims are liquidated, as provided herein with respect to the Quigley direct claim, and (ii) the ratio between the Payment Percentage for the Quigley direct claim (initially 7.5%) and the Payment Percentage for the Pfizer derivative claim (initially 23%) is maintained.

No less frequently than once every three (3) years, commencing with the first day of January occurring after the Effective Date, the Trustees shall reconsider the Payment Percentage to assure that it is based on accurate, current information and may, after such reconsideration, change the Payment Percentage, if necessary, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative. The Trustees shall also reconsider the Payment Percentage at shorter intervals if they deem such reconsideration to be appropriate or if requested to do so by the Trust Advisory Committee or the Future Demand Holders' Representative. In any event, no less frequently than once every twelve (12) months, commencing on the Initial Claims Filing Date, as defined in Section 5.1(a) below, the Trustees shall compare the liability forecast on which each component of the Payment Percentage is based with the actual claims filing and payment experience of the Asbestos PI Trust to date. If the results of the comparison call into question the ability of the Asbestos PI Trust to continue to rely upon the current liability forecast, the Trustees shall undertake a reconsideration of the Payment Percentage.

The Trustees must base their determination of the Payment Percentage on current estimates of the number, types, and values of present and future Asbestos PI Claims, the value of the assets then available to the Asbestos PI Trust for their payment, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of full value to all holders of Asbestos PI Claims, accounting for whether the Claims are asserted by Releasing or Non-Releasing Asbestos PI Claimants. When making these determinations, the Trustees shall exercise common sense and

flexibly evaluate all relevant factors. Neither the Payment Percentage applicable to Category A claims nor the Payment Percentage applicable to Category B claims may be reduced to alleviate delays in payments of claims in the other Category. Both Categories of claims shall receive the same Payment Percentage, adjusted only to account for whether Claimants are Releasing or Non-Releasing Asbestos PI Claimants. However, payment may be deferred as needed, and a Reduced Payment Option may be instituted as described in Section 2.5 above.

#### Section 4.3 Applicability of the Payment Percentage

Except as otherwise provided in (a) Section 5.1(c) below for Asbestos PI Claims involving deceased or incompetent claimants for which approval of the Asbestos PI Trust's offer by a court or through a probate process is required, and (b) in the paragraph below with respect to Released Claims, no holder of any Asbestos PI Claim shall receive a payment that exceeds the liquidated value of the claim times the applicable Payment Percentage in effect at the time of payment; provided, however, that if there is a reduction in the applicable Payment Percentage, the Trustees, in their sole discretion, may cause the Asbestos PI Trust to pay an Asbestos PI Claim based on the Payment Percentage that was in effect prior to the reduction if such Asbestos PI Claim was filed and reviewable by the Asbestos PI Trust ninety (90) days or more prior to the date the Trustees proposed the new Payment Percentage in writing to the Trust Advisory Committee and the Future Demand Holders' Representative (the "Proposal Date") and the processing of such claim was unreasonably delayed due to circumstances beyond the control of the claimant or the claimant's counsel, but only if such claim had no deficiencies for the ninety (90) days prior to the Proposal Date.

If a redetermination of the Payment Percentage has been proposed in writing by the Trustees to the Trust Advisory Committee and the Future Demand Holders' Representative but has not yet been adopted, the claimant shall receive the lower of the current Payment Percentage or the proposed Payment Percentage. However, if the proposed Payment Percentage(s) was the lower amount but was not subsequently adopted, the claimant shall thereafter receive the difference between the lower proposed amount and the higher current amount. Conversely, if the proposed Payment Percentage was the higher amount and was subsequently adopted, the claimant shall thereafter receive the difference between the lower current amount and the higher adopted amount.

Notwithstanding anything contained herein, if the proposed Payment Percentage is lower than the current Payment Percentage, a claimant whose Asbestos PI Claim was liquidated prior to the Proposal Date and who either (a) transmitted<sup>1</sup> an executed release to the Asbestos PI Trust prior to the Proposal Date or (b) with respect to those claimants who had received releases fewer than thirty (30) days prior to the Proposal Date, transmitted an executed release to the Asbestos PI Trust within thirty (30) days of the claimant's receipt of the release (the claims described in (a) and (b) are collectively referred to herein as the "Released Claims") shall be paid based on the current Payment Percentage (the "Released Claims Payment Percentage"). For purposes hereof, (a) a claimant represented by counsel shall be deemed to have received a release on the date that the claimant's counsel receives the release, (b) if the Asbestos PI Trust transmits a

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<sup>1</sup> For purposes of this sentence, "transmitted" is defined as the date/time postmarked if submitted by mail or the date/time uploaded if submitted electronically.

release electronically, the release shall be deemed to have been received on the date the Asbestos PI Trust transmits the offer notification, and (c) if the Asbestos PI Trust places the release in the U.S. mail, postage prepaid, the release shall be deemed to have been received three (3) business days after such mailing date. A delay in the payment of the Released Claims for any reason, including delays resulting from limitations on payment amounts in a given year pursuant to Sections 2.4 and 2.5 hereof, shall not affect the rights of the holders of the Released Claims to be paid based on the Released Claims Payment Percentage.

At least thirty (30) days prior to proposing in writing to the Trust Advisory Committee and Future Demand Holders' Representative a change in the Payment Percentage, the Trustees shall issue a written notice to claimants or claimants' counsel indicating that the Trustees are reconsidering the Payment Percentage. During the period of time when the Trustees are contemplating a change in the Payment Percentage, the Asbestos PI Trust shall continue processing claims and making offers in a manner consistent with its normal course of business.

There is uncertainty surrounding the amount of the Asbestos PI Trust's future assets. There is also uncertainty surrounding the totality of the Asbestos PI Claims to be paid over time, as well as the extent to which changes in existing federal and state law could affect the Asbestos PI Trust's liabilities under this Asbestos TDP. If the value of the Asbestos PI Trust's future assets increases significantly and/or if the value or volume of Asbestos PI Claims actually filed with the Asbestos PI Trust is significantly lower than originally estimated, the Asbestos PI Trust shall use those proceeds and/or claims savings, as the case may be, first to maintain the Payment Percentage then in effect. If the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, make a determination to increase the Payment Percentage due to a material change in the estimates of the Asbestos PI Trust's future assets and/or liabilities, the Trustees shall also make supplemental payments to all claimants who previously liquidated their claims against the Asbestos PI Trust and received payments based on a lower Payment Percentage. The amount of any such supplemental payment shall be the liquidated value of the claim in question times the applicable newly adjusted Payment Percentage less all amounts previously paid to the claimant with respect to the claim (excluding the portion of such previously paid amounts that was attributable to any sequencing adjustment paid pursuant to Section 7.5 below).

The Trustees' obligation to make a supplemental payment to a claimant shall be suspended in the event the payment in question would be less than \$100.00, and the amount of the suspended payment shall be added to the amount of any prior supplemental payment/payments that was/were also suspended because it/they would have been less than \$100.00. However, the Trustees' obligation shall resume and the Trustees shall pay any such aggregate supplemental payments due the claimant at such time that the total exceeds \$100.00.

## SECTION V

### Resolution of Asbestos PI Claims

#### Section 5.1 Ordering, Processing and Payment of Claims

##### (a) Ordering of Claims

##### (1) Establishment of the FIFO Processing Queue

The Asbestos PI Trust shall order claims that are sufficiently complete to be reviewed for processing purposes on a FIFO basis except as otherwise provided herein (the “FIFO Processing Queue”). For all claims filed on or before the date six (6) months after the date that the Asbestos PI Trust first makes available the proof of claim forms and other claims materials required to file a claim with the Asbestos PI Trust (such six-month anniversary being referred to herein as the “Initial Claims Filing Date”), a claimant’s position in the FIFO Processing Queue shall be determined as of the earliest of (i) the date prior to the Petition Date (if any) that the specific asbestos claim was either filed against Quigley in the tort system or was actually submitted to Quigley pursuant to an administrative settlement agreement; (ii) the date before the Petition Date that the asbestos claim was filed against another defendant in the tort system if at the time the claim was subject to a tolling agreement with Quigley; (iii) the date after the Petition Date but before the date that the Asbestos PI Trust first makes available the proof of claim forms and other claims materials required to file a claim with the Asbestos PI Trust that the asbestos claim was filed against another defendant in the tort system; (iv) the date after the Petition Date but before the Effective Date that a proof of claim was filed by the claimant against Quigley in Quigley’s Chapter 11 proceeding; or (v) the date a ballot was submitted on behalf of the claimant for purposes of voting to accept or reject the Plan or an earlier version of the Plan pursuant to voting procedures approved by the Bankruptcy Court.

Following the Initial Claims Filing Date, the claimant’s position in the FIFO Processing Queue shall be determined by the date the claim is filed with the Asbestos PI Trust. If any claims are filed on the same date, the claimant’s position in the FIFO Processing Queue shall be determined by the date of the diagnosis of the claimant’s asbestos-related disease. If any claims are filed and diagnosed on the same date, the claimant’s position in the FIFO Processing Queue shall be determined by the claimant’s date of birth, with older claimants given priority over younger claimants.

##### (2) Effect of Statutes of Limitation and Repose

All unliquidated Asbestos PI Claims must meet either (i) for claims first filed in the tort system against Quigley prior to the Petition Date, the applicable federal, state and foreign statute of limitation and repose that was in effect at the time of the filing of the claim in the tort system; or (ii) for claims not filed against Quigley in the tort system prior to the Petition Date, the applicable federal, state or foreign statute of limitation that was in effect at the time of the filing with the Asbestos PI Trust. However, the running of the relevant statute of limitation shall be tolled as of the earliest of (a) the actual filing of the claim against Quigley prior to the Petition Date, whether in the tort system or by submission of the claim to Quigley pursuant to an

administrative settlement agreement; (b) the tolling of the claim against Quigley prior to the Petition Date by an agreement or otherwise, provided such tolling is still in effect on the Petition Date; or (c) the Petition Date.

If an Asbestos PI Claim meets any of the tolling provisions described in the preceding sentence and the claim was not barred by the applicable federal, state or foreign statute of limitation at the time of the tolling event, it shall be treated as timely filed if it is actually filed with the Asbestos PI Trust within three (3) years after the Initial Claims Filing Date. In addition, any claims that were first diagnosed after the Petition Date, irrespective of the application of any relevant statute of limitation or repose, may be filed with the Asbestos PI Trust within three (3) years after the date of diagnosis or within three (3) years after the Initial Claims Filing Date, whichever occurs later. However, the processing of any Asbestos PI Claim by the Asbestos PI Trust may be deferred at the election of the claimant pursuant to Section 6.3 below.

(b) Processing of Claims

As a general practice, the Asbestos PI Trust shall review its claims files on a regular basis and notify all claimants whose claims are likely to come up in the FIFO Processing Queue in the near future.

(c) Payment of Claims

Asbestos PI Claims that have been liquidated by the Expedited Review Process as provided in Section 5.3(a) below, by the Individual Review Process as provided in Section 5.3(b) below, by arbitration as provided in Section 5.10 below, or by litigation in the tort system provided in Section 7.6 below, shall be paid in FIFO order based on the date their liquidation became final (the “FIFO Payment Queue”), all such payments being subject to Payment Percentage, Maximum Available Payments, and Claims Payment Ratios, and the sequencing adjustment provided for in Section 7.5 below, 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.

Where the claimant is deceased or incompetent and the settlement and payment of his or her claim must be approved by a court of competent jurisdiction or through a probate process prior to acceptance of the claim by the claimant’s representative, an offer made by the Asbestos PI Trust on the claim shall remain open so long as proceedings before that court or in that probate process remain pending, provided that the Asbestos PI Trust has been furnished with evidence that the settlement offer has been submitted to such court or in the probate process for approval. If the offer is ultimately approved by the court or through the probate process and accepted by the claimant’s representative, the Asbestos PI Trust shall pay the claim in the amount so offered, multiplied by the Payment Percentage in effect at the time the offer was first made.

If any claims are liquidated on the same date, the claimant’s position in the FIFO Payment Queue shall be determined by the date of the diagnosis of the claimant’s asbestos-related disease. If any claims are liquidated on the same date and the respective holders’



asbestos-related diseases were diagnosed on the same date, the position of those claims in the FIFO Payment Queue shall be determined by the Asbestos PI Trust based on the dates of the claimants' birth, with older claimants given priority over younger claimants.

## Section 5.2 Resolution of Pre-Petition Liquidated Asbestos PI Claims

### (a) Processing and Payment

As soon as practicable after the Effective Date, the Asbestos PI Trust shall pay, upon submission by the claimant of the appropriate documentation, all Pre-Petition Liquidated Asbestos PI Claims. A Pre-Petition Liquidated Asbestos PI Claim is defined as an Asbestos PI Claim that (i) was liquidated by a binding settlement agreement for the particular claim entered into prior to the Petition Date that is judicially enforceable against Quigley by the claimant; (ii) was liquidated by a judgment that became final and non-appealable prior to the Petition Date; (iii) is a claim of a Disputed Settlement Plaintiff - defined as those claimants who are identified on Schedule 2 to the Settlement Agreement among Pfizer, each of the plaintiffs listed on Schedules 1, 2, 3, and 4 of the Agreement, and the law firm of Reaud, Morgan & Quinn, L.L.P. dated as of December 14, 2012, who shall be entitled to submit claims consistent with their respective settlement values in the Disputed Settlement Agreements to the Asbestos PI Trust; (iv) is a claim of or on behalf of an individual listed on Schedule 2 to the Settlement Agreement among Pfizer, those claimants listed on Schedule 1 to that Agreement, and the law firms of Hissey Keintz, L.L.P. and Hissey, Kientz & Herron P.L.L.C. dated as of December 14, 2012, who shall be entitled to submit pre-petition liquidated claims consistent with their respective settlement values, as listed on Schedule 2 to the Asbestos PI Trust; or (v) is a Pfizer Personal Injury Claim identified on Schedule 1 to the Agreement among Pfizer, each Pfizer Personal Injury Claimant listed on Schedule 1, and the law firm of Brayton Purcell dated as of November 28, 2012, who shall be entitled to submit pre-petition liquidated claims consistent with their respective settlement values, as listed on Schedule 1 to the Asbestos PI Trust. To receive payment from the Asbestos PI Trust as a Pre-Petition Liquidated Asbestos PI Claimant, the holder of a Pre-Petition Liquidated Asbestos PI Claim must submit all documentation necessary to demonstrate to the Asbestos PI Trust that the claim was liquidated in the manner described in this paragraph.

Asbestos PI Deficiency Claims shall also be deemed Pre-Petition Liquidated Asbestos PI Claims for purposes of this Section 5.2(a).

Claims in Classes 2.02 through 2.05 shall be deemed Pre-Petition Liquidated Asbestos PI Claims, however, if and only to the extent that such claim is an Asbestos PI Deficiency Claim and if and only to the extent that such claimant has complied with the provisions of Section 5.2(b) of this Asbestos TDP.

If the Final Judgment for any claim in Classes 2.02 through 2.05 ultimately reverses any extant judgment against Quigley, then any remaining Asbestos PI Claim that such holder may have will automatically and without further act, deed, or court order be channeled to and assumed by the Asbestos PI Trust and liquidated pursuant to this Asbestos TDP as an unliquidated Asbestos PI Claim.

The liquidated value of a Pre-Petition Liquidated Asbestos PI Claim defined in subsection (a)(i) above shall be the unpaid portion of the amount set forth with respect to both Quigley and Pfizer in the binding settlement agreement. The liquidated value of Pre-Petition Liquidated Asbestos PI Claims defined in subsection (a)(ii) above shall be the unpaid portion of the amount of the final judgment. The liquidated value of the Pre-Petition Liquidated Asbestos PI Claims in subsection (a)(i) and (a)(ii) shall include interest, if any, that has accrued on that amount up to and as of the Petition Date in accordance with specific terms of the binding settlement agreement, if any, or under applicable state law for settlements or judgments. The liquidated value of Pre-Petition Liquidated Asbestos PI Claims in subsection (a)(iii) above shall be the amount set forth in the Disputed Settlement Agreements, which are the disputed agreements dated February 2003 through November 2003 included as part of Exhibit B to the Verified Statement of Reaud, Morgan & Quinn, L.L.P. Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure filed in *In re Quigley Co., Inc.*, No. 04-15739 (B.Ct. SDNY Nov. 15, 2004) (No. 173). The liquidated value of Pre-Petition Liquidated Asbestos PI Claims in subsection (a)(iv) above shall be the amount set forth in the “Agreed Prepetition Settlement Amount” column on Schedule 2 referenced in subsection (a)(iv) above. The liquidated value of Pre-Petition Liquidated Asbestos PI Claims in subsection (a)(v) above shall be the amounts set forth in the “Prepetition Liquidated Claim Settlement Amount” column on Schedule 1 referenced in subsection (a)(v) above.

Except as otherwise provided in Section 7.4 below, the liquidated value of a Pre-Petition Liquidated Asbestos PI Claim shall not include any punitive or exemplary damages. In addition, the amounts payable with respect to such Pre-Petition Liquidated Asbestos PI Claims shall not be subject to or taken into account in consideration of the Claims Payment Ratio and the Maximum Available Payment limitations but shall be subject to the Maximum Annual Payment and Payment Percentage provisions. In the absence of a final order of the Bankruptcy Court determining whether a settlement agreement is binding and judicially enforceable, a dispute between the claimant and the Asbestos PI Trust over this issue shall be resolved pursuant to the same procedures in this Asbestos TDP that are provided for resolving the validity and/or liquidated value of an Asbestos PI Claim (i.e., arbitration and litigation in the tort system as set forth in Sections 5.10 and 7.6 below).

Pre-Petition Liquidated Asbestos PI Claims shall be processed and paid in accordance with their order in a separate FIFO queue to be established by the Asbestos PI Trust based on the date the Asbestos PI Trust received all required documentation for the particular claim; provided, however, the amounts payable with respect to such claims shall not be subject to or taken into account in consideration of the Claims Payment Ratio but shall be subject to the Maximum Annual Payment and Payment Percentage provisions set forth herein. If any Pre-Petition Liquidated Asbestos PI Claims were filed on the same date, the claimants’ positions in the FIFO queue for such claims shall be determined by the dates on which the claims were liquidated. If any Pre-Petition Liquidated Asbestos PI Claims were both filed and liquidated on the same dates, the positions of the claimants in the FIFO queue shall be determined by the claimants’ dates of birth, with older claimants given priority over younger claimants.

(b) Marshalling of Security

Holders of Pre-Petition Liquidated Asbestos PI Claims that are secured by letters of credit, appeal bonds, or other security or sureties shall first exhaust their rights against any applicable security or surety before making a claim against the Asbestos PI Trust. If, after application of such security or surety to such Pre-Petition Liquidated Asbestos PI Claim, the holder of such claim holds an Asbestos PI Deficiency Claim, such Asbestos PI Deficiency Claim shall be processed and paid as a Pre-Petition Liquidated Asbestos PI Claim subject to the provisions of Section 5.2(a) of this Asbestos TDP.

Section 5.3 Resolution of Unliquidated Asbestos PI Claims

Within six (6) months after the establishment of the Asbestos PI Trust, the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, shall adopt procedures for reviewing and liquidating all unliquidated Asbestos PI Claims, which shall include setting deadlines for processing such claims. Such procedures shall also require claimants seeking resolution of unliquidated claims to first file a proof of claim form, together with the required supporting documentation, in accordance with the provisions of Sections 6.1 and 6.2 below. It is anticipated that the Asbestos PI Trust shall provide an initial response to the claimant within six (6) months of receiving the proof of claim form.

The proof of claim form shall require the claimant to assert his or her claim for the highest Disease Level for which the claim qualifies at the time of filing. Irrespective of the Disease Level alleged on the proof of claim form, all claims shall be deemed to be a claim for the highest Disease Level for which the claim qualifies at the time of filing, and all lower Disease Levels for which the claim may also qualify at the time of filing or in the future shall be treated as subsumed into the higher Disease Level for both processing and payment purposes.

Upon filing of a valid proof of claim form with the required supporting documentation, the claimant shall be placed in the FIFO Processing Queue in accordance with the ordering criteria described in Section 5.1(a) above. When the claim reaches the top of the FIFO Processing Queue, the Asbestos PI Trust shall process and liquidate the claim based upon the medical/exposure evidence submitted by the claimant, and under the Process elected by the claimant. If the claimant failed to elect a Process, the Asbestos PI Trust shall process and liquidate the claim under the Expedited Review Process, although the claimant shall retain the right to request Individual Review as described in Section 5.3(b) below.

(a) Expedited Review Process - Asbestos PI Claims

(1) In General

The Asbestos PI Trust's Expedited Review Process for Asbestos PI Claims is designed primarily to provide an expeditious, efficient and inexpensive method for liquidating all Asbestos PI Claims (except those involving Lung Cancer 2 (Disease Level V) and all Foreign Claims (as defined below), which shall be liquidated pursuant to the Asbestos PI Trust's Individual Review Process) where the claim can easily be verified by the Asbestos PI Trust as meeting the presumptive Medical/Exposure Criteria for the relevant Disease Level (the "Expedited Review Process"). Expedited Review, thus, provides claimants with a substantially

less burdensome process for pursuing Asbestos PI Claims than does the Individual Review Process described in Section 5.3(b) below. Expedited Review is also intended to provide qualifying claimants a fixed and certain claims payment.

Thus, claims that undergo Expedited Review and meet the presumptive Medical/Exposure Criteria for the relevant Disease Level shall be paid the Scheduled Value for such Disease Level set forth in Section 5.3(a)(3) below. However, all claims liquidated by Expedited Review shall be subject to the applicable Payment Percentage, the Maximum Available Payment, and the Claims Payment Ratio limitations set forth above; provided, however, that Existing Claims and Exigent Hardship Claims shall not be subject to the Maximum Available Payment and the Claims Payment Ratio. Claimants holding claims that cannot be liquidated by Expedited Review because they do not meet the presumptive Medical/Exposure Criteria for the relevant Disease Level may elect the Asbestos PI Trust's Individual Review Process set forth in Section 5.3(b) below.

Subject to the provisions of Section 5.8, the claimant's eligibility to receive the Scheduled Value for his or her Asbestos PI Claim pursuant to the Expedited Review Process shall be determined solely by reference to the Medical/Exposure Criteria set forth below for each of the Disease Levels eligible for Expedited Review.

(2) Claims Processing under Expedited Review for Asbestos PI Claims

All claimants seeking liquidation of their Asbestos PI Claims pursuant to Expedited Review shall file the Asbestos PI Trust's proof of claim form. As a proof of claim form is reached in the FIFO Processing Queue, the Asbestos PI Trust shall determine whether the claim described therein meets the Medical/Exposure Criteria for one of the six Disease Levels eligible for Expedited Review and shall advise the claimant of its determination. If a Disease Level is determined, the Asbestos PI Trust shall tender to the claimant an offer of payment of the Scheduled Value for the relevant Disease Level multiplied by the applicable Payment Percentage, together with a form of release approved by the Asbestos PI Trust. If the claimant accepts the Scheduled Value and returns the release properly executed, the claim shall be placed in the FIFO Payment Queue, following which the Asbestos PI Trust shall disburse payment subject to the limitations of the Maximum Available Payment and Claims Payment Ratio, if any.

(3) Disease Levels, Scheduled Values and Medical/Exposure Criteria for Asbestos PI Claims

The seven Disease Levels covered by this Asbestos TDP, together with the Medical/Exposure Criteria for each and the Scheduled Values for the six Disease Levels eligible for Expedited Review, are set forth below. These Disease Levels, Scheduled Values, and Medical/Exposure Criteria shall apply to all Trust Voting Claims filed with the Asbestos PI Trust on or before the Initial Claims Filing Date provided in Section 5.1 above for which the claimant elects the Expedited Review Process. "Trust Voting Claims" are claims (a) filed against Quigley in the tort system or actually submitted to Quigley pursuant to an administrative settlement agreement prior to the Petition Date or (b) filed against another defendant in the tort system after the Petition Date; provided the holder of any such claim described in (a) or (b) or his or her

authorized agent actually voted to accept or reject the Plan or an earlier version of the Plan pursuant to voting procedures established by the Bankruptcy Court unless such holder certifies to the satisfaction of the Trustees that he or she was prevented from voting as a result of circumstances resulting in a state of emergency affecting, as the case may be, the holder’s residence, principal place of business or legal representative’s place of business at which the holder or his or her legal representative receives notice and /or maintains material records relating to his or her Trust Voting Claim. Thereafter, for purposes of administering the Expedited Review Process and with the consent of the Trust Advisory Committee and the Future Demand Holders’ Representative, the Trustees may add to, change or eliminate Disease Levels, Scheduled Values, or Medical/Exposure Criteria; develop subcategories of Disease Levels, Scheduled Values, or Medical/Exposure Criteria; or determine that a novel or exceptional asbestos personal injury claim is compensable even though it does not meet the Medical/Exposure Criteria for any of the then-current Disease Levels.

<b><u>Disease Level</u></b>	<b><u>Scheduled Value</u></b>	<b><u>Medical/Exposure Criteria</u></b>
Mesothelioma (Level VII)	\$200,000	(1) Diagnosis <sup>2</sup> of mesothelioma, <b>and</b> (2) Quigley Exposure. <sup>3</sup>
Lung Cancer 1 (Level VI)	\$35,000	(1) Diagnosis of a primary lung cancer plus evidence of an underlying Bilateral Asbestos-Related Non-malignant Disease, <sup>4</sup> <b>and</b> (2) evidence of six months of Quigley Exposure, and (3) Significant Occupational Exposure, <sup>5</sup> <b>and</b> (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

<sup>2</sup> The requirements for a diagnosis of an asbestos-related disease that may be compensated under the provisions of this Asbestos TDP are set forth in Section 5.7 below.

<sup>3</sup> The term “Quigley Exposure” is defined at Section 5.7(b)(3) below.

<sup>4</sup> Evidence of “Bilateral Asbestos-Related Non-malignant Disease” for purposes of meeting the criteria for establishing Disease Levels I, II, IV, and VI means either (i) a chest X-ray read by a qualified B- reader of 1/0 or higher on the ILO scale or, (ii) (a) a chest X-ray read by a qualified B-reader or other Qualified Physician, (b) a CT scan read by a Qualified Physician, or (c) pathology, in each case showing bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification. Evidence submitted to demonstrate (i) or (ii) above must be in the form of a written report stating the results (e.g., an ILO report, a written radiology report or a pathology report). Solely for claims filed against Quigley or another asbestos defendant in the tort system prior to the Petition Date, if an ILO reading is not available, either (i) a chest X-ray or a CT scan read by a Qualified Physician or (ii) pathology showing bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification consistent with, or compatible with, a diagnosis of asbestos-related disease shall be evidence of Bilateral Asbestos-Related Non-malignant Disease for purposes of meeting the presumptive medical requirements of Disease Levels I, II, IV, and VI. Pathological proof of asbestosis may be based on the pathological grading system for asbestosis described in the Special Issue of the Archives of Pathology and

<b><u>Disease Level</u></b>	<b><u>Scheduled Value</u></b>	<b><u>Medical/Exposure Criteria</u></b>
Lung Cancer 2 (Level V)	None - subject to Individual Review.	(1) Diagnosis of a primary lung cancer, <b>and</b> (2) evidence of Quigley Exposure, <b>and</b> (3) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.
		Lung Cancer 2 (Level V) claims are claims that do not meet the more stringent medical and/or exposure requirements of Lung Cancer 1 (Level VI) claims. All claims in this Disease Level shall be individually evaluated. The estimated likely average of the individual evaluation awards for this category is \$15,000, with such awards capped at \$30,000, unless the claim qualifies for Extraordinary Claim treatment.
		Level V claims that show no evidence of either an underlying Bilateral Asbestos-Related Non-malignant Disease or Significant Occupational Exposure may be individually evaluated, although it is not expected that such claims shall be treated as having any significant value, especially if the claimant is also a smoker. <sup>6</sup> In any event, no presumption of validity will be available for any claims in this category.

Laboratory Medicine, “Asbestos-associated Diseases,” Vol. 106, No. 11, App. 3 (October 8, 1982). For all purposes of this Asbestos TDP, a “Qualified Physician” is a physician who is board certified (or in the case of Canadian Claims or Foreign Claims, a physician who is certified or qualified under comparable medical standards or criteria of the jurisdiction in question) in one or more relevant specialized fields of medicine such as pulmonology, radiology, internal medicine, or occupational medicine; provided, however, subject to the provisions of Section 5.8, that the requirement for board certification in this provision shall not apply to otherwise qualified physicians whose X-ray and/or CT scan readings are submitted for deceased holders of Asbestos PI Claims.

<sup>5</sup> The term “Significant Occupational Exposure” is defined at Section 5.7(b)(2) below.

<sup>6</sup> There is no distinction between Non-Smokers and smokers for either Lung Cancer 1 (Level VI) or Lung Cancer 2 (Level V), although a claimant who meets the more stringent requirements of Lung Cancer 1 (Level VI) (evidence of an underlying Bilateral Asbestos-Related Non-malignant Disease plus Significant Occupational Exposure), and who is also a Non-Smoker, may wish to have his or her claim individually evaluated by the Asbestos PI Trust. In such case, absent circumstances that would otherwise reduce the value of the claim, it is anticipated that the liquidated value of the claim might well exceed the Scheduled Value for Lung Cancer 1 (Level VI) shown above. “Non-Smoker” means a claimant who either (a) never smoked or (b) has not smoked during any portion of the twelve (12) years immediately prior to the diagnosis of the lung cancer.

<b><u>Disease Level</u></b>	<b><u>Scheduled Value</u></b>	<b><u>Medical/Exposure Criteria</u></b>
Other Cancer (Level IV)	\$15,000	(1) Diagnosis of a primary colorectal, laryngeal, esophageal, pharyngeal, or stomach cancer, plus evidence of an underlying Bilateral Asbestos-Related Non-malignant Disease, <b><u>and</u></b> (2) evidence of six months of Quigley Exposure, <b><u>and</u></b> (3) Significant Occupational Exposure, <b><u>and</u></b> (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the other cancer in question.
Severe Asbestosis (Level III)	\$35,000	(1) Pulmonary Function Testing that shows either (a) TLC less than 65% of predicted value, <b><u>or</u></b> (b) FVC less than 65% of predicted value and FEV1/FVC ratio greater than 65%, <b><u>and</u></b> (2) <b><u>either</u></b> (a) diagnosis of asbestosis with ILO of 2/1 or greater, <b><u>or</u></b> (b) asbestosis determined by a Qualified Physician based on CT scan, <sup>7</sup> <b><u>or</u></b> (c) asbestosis determined by a pathologist based on pathological evidence of asbestos, <b><u>plus</u></b> (3) evidence of six months of Quigley Exposure, <b><u>and</u></b> (4) Significant Occupational Exposure to asbestos, <b><u>and</u></b> (5) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the asbestosis.
Asbestosis/ Pleural Disease (Level II)	\$5,000	(1) Diagnosis of Bilateral Asbestos-Related Non-malignant Disease, plus (a) TLC less than 80% or (b) FVC less than 80% and FEV1/FVC ratio greater than or equal to 65% and (2) six months Quigley Exposure, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the asbestos-related disease in question.

<sup>7</sup> Asbestosis determined by a Qualified Physician based on CT scan must be in the form of a written report stating the results and must identify bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification that is "severe", "diffuse", "widespread", or other similar term deemed acceptable by the Trust.

<u>Disease Level</u>	<u>Scheduled Value</u>	<u>Medical/Exposure Criteria</u>
Asbestosis/Pleural Disease (Level I)	\$2,000	(1) Diagnosis of a Bilateral Asbestos-Related Non-malignant Disease, <b>and</b> (2) evidence of six months of Quigley Exposure, <b>and</b> (3) five years cumulative occupational exposure to asbestos.

(b) Individual Review Process for Asbestos PI Claims

(1) In General

Subject to the provisions of Sections 5.3(b)(1)(A), 5.3(b)(1)(B), and 5.3(b)(2) set forth below, a claimant may elect to have his or her Asbestos PI Claim reviewed for purposes of determining whether the claim would be compensable in the tort system even though it does not meet the presumptive Medical/Exposure Criteria for any of the Disease Levels set forth in Section 5.3(a)(3) above (the “Individual Review Process”). In addition or alternatively, a claimant may elect to have a claim undergo the Individual Review Process for purposes of determining whether the liquidated value of the claim involving Disease Levels III, IV, VI or VII exceeds the Scheduled Value for the relevant Disease Level also set forth in said provision. However, until such time as the Asbestos PI Trust has made an offer on a claim pursuant to Individual Review, the claimant may change his or her Individual Review election and have the claim liquidated pursuant to the Asbestos PI Trust’s Expedited Review Process. In the event of such a change in the processing election, the claimant shall nevertheless retain his or her place in the FIFO Processing Queue.

The liquidated value of all Foreign Claims payable under this Asbestos TDP shall be established only under the Asbestos PI Trust’s Individual Review process. Asbestos PI Claims of individuals exposed in Canada who were resident in Canada when such claims were filed (“Canadian Claims”) shall not be considered Foreign Claims hereunder and shall be eligible for liquidation under the Expedited Review Process. Accordingly, a “Foreign Claim” is an Asbestos PI Claim with respect to which the claimant’s exposure to an asbestos-containing product or conduct for which Quigley has legal responsibility occurred outside of the United States and its Territories and Possessions, and outside of the Provinces and Territories of Canada.

In reviewing Foreign Claims, the Asbestos PI Trust shall take into account all relevant procedural and substantive legal rules to which the claims would be subject in the Claimant’s Jurisdiction, as defined in Section 5.3(b)(2) below. The Asbestos PI Trust shall determine the liquidated value of Foreign Claims based on historical settlements and verdicts in the Claimant’s Jurisdiction as well as the other valuation factors set forth in Section 5.3(b)(2) below.

For purposes of the Individual Review Process for Foreign Claims, the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders’ Representative, may develop separate Medical/Exposure Criteria and standards, as well as separate requirements for physician and other professional qualifications, which shall be applicable to all Foreign Claims channeled to the Asbestos PI Trust; provided, however, that such criteria, standards or requirements shall not effectuate substantive changes to the claims eligibility requirements under



this Asbestos TDP, but, rather, shall be made only for the purpose of adapting those requirements to the particular licensing provisions and/or medical customs or practices of the foreign country in question.

At such time as the Asbestos PI Trust has sufficient historical settlement, verdict and other valuation data for claims from a particular foreign jurisdiction, the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, may also establish a separate valuation matrix for any such Foreign Claims based on that data.

(A) Review of Medical/Exposure Criteria

The Asbestos PI Trust's Individual Review Process provides a claimant with an opportunity for individual consideration and evaluation of an Asbestos PI Claim that fails to meet the presumptive Medical/Exposure Criteria for Disease Levels I-IV and VI-VII. In such a case, the Asbestos PI Trust shall either deny the claim, or, if the Asbestos PI Trust is satisfied that the claimant has presented a claim that would be cognizable and valid in the tort system, the Asbestos PI Trust can offer the claimant a liquidated value amount up to the Scheduled Value for that Disease Level, unless the claim qualifies as an Extraordinary Claim as defined in Section 5.4(a) below, in which case its liquidated value cannot exceed the maximum extraordinary value for such a claim.

(B) Review of Liquidated Value for Asbestos PI Claims in Disease Levels III-VII

Claimants holding Asbestos PI Claims in the more serious Disease Levels III, IV, VI, or VII shall be eligible to seek, and claimants holding Asbestos PI Claims in Disease Level V and all Foreign Claims shall be required to undergo, Individual Review of the liquidated value of their claims, as well as of their medical/exposure evidence. The Individual Review Process is intended to result in payments equal to the full liquidated value for each claim multiplied by the Payment Percentage; however, the liquidated value of any Asbestos PI Claim that undergoes Individual Review may be determined to be less than the Scheduled Value the claimant would have received under Expedited Review. Moreover, the liquidated value for a claim involving Disease Levels III-VII shall not exceed the Maximum Value for the relevant Disease Level set forth in Section 5.3(b)(3) below, unless the claim meets the requirements of an Extraordinary Claim described in Section 5.4(a) below, in which case its liquidated value cannot exceed the maximum extraordinary value set forth in that provision for such claims. Because the detailed examination and valuation process pursuant to Individual Review requires substantial time and effort, claimants electing to undergo the Individual Review Process may be paid the liquidated value of their Asbestos PI Claims later than would have been the case had the claimant elected the Expedited Review Process. Subject to the provisions of Section 5.8, the Asbestos PI Trust shall devote reasonable resources to the review of all claims to ensure that there is a reasonable balance maintained in reviewing all classes of claims.

(2) Valuation Factors to be Considered in Individual Review

The Asbestos PI Trust shall liquidate the value of each Asbestos PI Claim that undergoes Individual Review based on the historic liquidated values of other similarly situated claims in the

tort system for the same Disease Level. The Asbestos PI Trust shall thus take into consideration all of the factors that affect the severity of damages and values within the tort system including, but not limited to, credible evidence of (i) the degree to which the characteristics of a claim differ from the presumptive Medical/Exposure Criteria for the Disease Level in question; (ii) factors such as the claimant’s age, disability, employment status, disruption of household, family or recreational activities, dependencies, special damages, and pain and suffering; (iii) whether the claimant’s damages were (or were not) caused by asbestos exposure, including Quigley Exposure (for example, alternative causes, and the strength of documentation of injuries); (iv) the industry of exposure; and (v) settlements and verdict histories and other law firms’ experience in the Claimant’s Jurisdiction for similarly-situated claims; and (vi) settlement and verdict histories for the claimant’s law firm for similarly-situated claims.

For these purposes, the “Claimant’s Jurisdiction” is (a) the jurisdiction in which the claim was filed (if at all) against Quigley in the tort system prior to the Petition Date or (b) if the claim was not filed against Quigley in the tort system prior to the Petition Date, the claimant may elect as the Claimant’s Jurisdiction either (i) the jurisdiction in which the claimant resides at the time of diagnosis, or (ii) the jurisdiction in which the claimant resides when the claim is filed with the Asbestos PI Trust, or (iii) a jurisdiction in which the claimant experienced Quigley Exposure.

With respect to the Claimant’s Jurisdiction, in the event a personal representative or authorized agent makes a claim under this Asbestos TDP for wrongful death with respect to which the governing law of the Claimant’s Jurisdiction could only be the Alabama Wrongful Death Statute, the Claimant’s Jurisdiction for such claim shall be the Commonwealth of Pennsylvania, and such claimant’s damages shall be determined pursuant to the statutory and common laws of the Commonwealth of Pennsylvania without regard to its choice of law principles. The choice of law provision in Section 7.4 below is applicable to any claim with respect to which, but for this choice of law provision, the applicable law of the Claimant’s Jurisdiction pursuant to Section 5.3(b)(2) is determined to be the Alabama Wrongful Death Statute, which shall only govern the rights between the Asbestos PI Trust and the claimant; and, to the extent the Asbestos PI Trust seeks recovery from any entity that provided insurance coverage to Quigley, the Alabama Wrongful Death Statute shall govern.

(3) Scheduled, Average, and Maximum Values

The Scheduled, Average, and Maximum Values for Disease Levels I-VII are the following:

<b>Scheduled Disease</b>	<b>Scheduled Value</b>	<b>Average Value</b>	<b>Maximum Value</b>
Mesothelioma (Level VII)	\$200,000	\$225,000	\$450,000
Lung Cancer 1 (Level VI)	\$35,000	\$45,000	\$90,000
Lung Cancer 2 (Level V)	None	\$15,000	\$30,000
Other Cancer (Level IV)	\$15,000	\$16,500	\$30,000

<u>Scheduled Disease</u>	<u>Scheduled Value</u>	<u>Average Value</u>	<u>Maximum Value</u>
Severe Asbestosis (Level III)	\$35,000	\$40,000	\$90,000
Asbestosis/Pleural Disease (Level II)	\$5,000	\$5,000	\$5,000
Asbestosis/Pleural Disease (Level I)	\$2,000	\$2,000	\$2,000

These Scheduled Values, Average Values, and Maximum Values shall apply to all Trust Voting Claims (other than Pre-Petition Liquidated Asbestos PI Claims) filed with the Asbestos PI Trust on or before the Initial Claims Filing Date as provided in Section 5.1(a)(1) above. Thereafter, the Asbestos PI Trust, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative pursuant to Sections 6.06(b) and 7.07(b) of the Asbestos PI Trust Agreement, may change these valuation amounts to account for the effect of inflation or for other good cause and consistent with other restrictions on the amendment power.

#### Section 5.4 Categorizing Claims as Extraordinary and/or Exigent Hardship

##### (a) Extraordinary Claims

An "Extraordinary Claim" means an Asbestos PI Claim that otherwise satisfies the Medical/Exposure Criteria for Disease Levels III-VII, and that is held by a claimant whose exposure to asbestos (i) occurred predominantly as a result of working in a manufacturing facility of Quigley during a period in which Quigley was manufacturing asbestos-containing products at that facility or (ii) was at least 75% the result of Quigley Exposure and there is little likelihood of a substantial recovery elsewhere. All such Extraordinary Claims shall be presented for Individual Review and, if valid, shall be entitled to an award of up to a maximum extraordinary value of five (5) times the Scheduled Value set forth in Section 5.3(b)(3) for claims qualifying for Disease Levels III, IV, VI, and VII, and five (5) times the Average Value for claims in Disease Level V, multiplied by the applicable Payment Percentage.

Any dispute as to Extraordinary Claim status shall be submitted to a special Extraordinary Claims Panel established by the Trustees with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative. All decisions of the Extraordinary Claims Panel shall be final and not subject to any further administrative or judicial review. An Extraordinary Claim, following its liquidation, shall be placed in the Asbestos PI Trust's FIFO Payment Queue ahead of all other Asbestos PI Claims except Pre-Petition Liquidated Asbestos PI Claims, Existing Claims, and Exigent Hardship Claims, which shall be paid first in that order in said Queue, based on its date of liquidation and shall be subject to the Maximum Available Payment and Claims Payment Ratio described above.

(b) Exigent Hardship Claims

At any time the Asbestos PI Trust may liquidate and pay Asbestos PI Claims that qualify as Exigent Hardship Claims as defined below. Such claims may be considered separately no matter what the order of processing otherwise would have been under this Asbestos TDP. An Exigent Hardship Claim, following its liquidation, shall be placed first in the FIFO Payment Queue ahead of all other liquidated Asbestos PI Claims except Pre-Petition Liquidated Asbestos PI Claims and Existing Claims, which claims, together with the Exigent Hardship Claims, shall be paid in accordance with the provisions of Section 2.4 hereof. An Asbestos PI Claim qualifies for payment as an Exigent Hardship Claim if the claim meets the Medical/Exposure Criteria for Severe Asbestosis (Disease Level III) or an asbestos-related malignancy (Disease Levels IV-VII) and the Asbestos PI Trust, in its sole discretion, determines (i) that the claimant needs financial assistance on an immediate basis based on the claimant's expenses and all sources of available income and (ii) that there is a causal connection between the claimant's dire financial condition and the claimant's asbestos-related disease.

Section 5.5 Secondary Exposure Claims

If a claimant alleges an asbestos-related disease resulting solely from exposure to an occupationally-exposed person, such as a family member, the claimant may seek Individual Review of his or her claim pursuant to Section 5.3(b) above. In such case the claimant must establish that the occupationally-exposed person would have met the exposure requirements under this Asbestos TDP that would have been applicable had that person filed a direct claim against the Asbestos PI Trust. In addition, the claimant with secondary exposure must establish that he or she is suffering from one of the seven Disease Levels described in Section 5.3(a)(3) above or an asbestos-related disease otherwise compensable under this Asbestos TDP, that his or her own exposure to the occupationally-exposed person occurred within the same time frame as the occupationally-exposed person experienced Quigley Exposure, and that such secondary exposure was a cause of the claimed disease. All other liquidation and payment rights and limitations under this Asbestos TDP shall be applicable to such claims.

Section 5.6 Indirect Asbestos PI Claims

Indirect Asbestos PI Claims asserted against the Asbestos PI Trust based upon theories of contribution or indemnification under applicable law shall be treated as presumptively valid and paid by the Asbestos PI Trust subject to the applicable Payment Percentage if (a) such claim satisfied the requirements of the Bar Date for such claims established by the Bankruptcy Court, if applicable, and is not otherwise disallowed by Section 502(e) of the Code or subordinated under Section 509(c) of the Code; and (b) the holder of such claim (the "Indirect Claimant") establishes to the satisfaction of the Trustees that (i) the Indirect Claimant has paid in full the liability and obligation of the Asbestos PI Trust to the individual claimant to whom the Asbestos PI Trust would otherwise have had a liability or obligation under this Asbestos TDP (the "Direct Claimant"), (ii) the Direct Claimant and the Indirect Claimant have forever and fully released the Asbestos PI Trust from all liability to the Direct Claimant, and (iii) the claim is not otherwise barred by a statute of limitation or repose or by other applicable law. In no event shall any Indirect Claimant have any rights against the Asbestos PI Trust superior to the rights of the related Direct Claimant against the Asbestos PI Trust, including any rights with respect to the

timing, amount or manner of payment. In addition, no Indirect Claim may be liquidated and paid in an amount that exceeds what the Indirect Claimant has actually paid the related Direct Claimant.

To establish a presumptively valid Indirect Asbestos PI Claim, the Indirect Claimant's aggregate liability for the Direct Claimant's claim must also have been fixed, liquidated, and paid fully by the Indirect Claimant by settlement (with an appropriate full release in favor of the Asbestos PI Trust) or a Final Order (as defined in the Plan) provided that it is established that such claim is valid under the applicable state law. In any case where the Indirect Claimant has satisfied the claim of a Direct Claimant against the Asbestos PI Trust under applicable law by way of a settlement, the Indirect Claimant shall obtain for the benefit of the Asbestos PI Trust a release in form and substance satisfactory to the Trustees.

If an Indirect Claimant cannot meet the presumptive requirements set forth above, including the requirement that the Indirect Claimant provide the Asbestos PI Trust with a full release of the Direct Claimant's claim, the Indirect Claimant may request that the Asbestos PI Trust review the Indirect Asbestos PI Claim individually to determine whether the Indirect Claimant can establish under applicable state law that the Indirect Claimant has paid all or a portion of a liability or obligation that the Asbestos PI Trust had to the Direct Claimant. If the Indirect Claimant can show that it has paid all or a portion of such a liability or obligation, the Asbestos PI Trust shall reimburse the Indirect Claimant the amount of the liability or obligation so paid, times the then-applicable Payment Percentage. However, in no event shall such reimbursement to the Indirect Claimant be greater than the amount to which the Direct Claimant would have otherwise been entitled. Further, the liquidated value of any Indirect Asbestos PI Claim paid by the Asbestos PI Trust to an Indirect Claimant shall be treated as an offset to or reduction of the full liquidated value of any Asbestos PI Claim that might be subsequently asserted by the Direct Claimant against the Asbestos PI Trust.

Any dispute between the Asbestos PI Trust and an Indirect Claimant over whether the Indirect Claimant has a right to reimbursement for any amount paid to a Direct Claimant shall be subject to the ADR Procedures provided in Section 5.10 below. If such dispute is not resolved by said ADR Procedures, the Indirect Claimant may litigate the dispute in the tort system pursuant to Sections 5.11 and 7.6 below.

The Trustees may develop and approve a separate proof of claim form for such Indirect Asbestos PI Claims. Indirect Asbestos PI Claims that have not been disallowed, discharged, or otherwise resolved by prior order of the Bankruptcy Court shall be processed in accordance with procedures to be developed and implemented by the Trustees, consistent with the provisions of this Section 5.6, which procedures (a) shall determine the validity, acceptability and enforceability of such claims; and (b) shall otherwise provide the same liquidation and payment procedures and rights to the holders of such claims as the Asbestos PI Trust would have afforded the holders of the underlying valid Asbestos PI Claims. Nothing in this Asbestos TDP is intended to preclude a trust to which asbestos-related liabilities are channeled from asserting an Indirect Asbestos PI Claim against the Asbestos PI Trust subject to the requirements set forth herein.

## Section 5.7 Evidentiary Requirements

### (a) Medical Evidence - Asbestos PI Claims

#### (1) In General

All diagnoses of a Disease Level shall be accompanied by either (i) a statement by the physician providing the diagnosis that at least ten (10) years have elapsed between the date of first exposure to asbestos or asbestos-containing products and the diagnosis or (ii) a history of the claimant's exposure sufficient to establish a ten (10)-year latency period. All diagnoses shall also be based upon the standards set forth below. A finding by a physician after the Effective Date that a claimant's disease is "consistent with" or "compatible with" asbestosis shall not alone be treated by the Asbestos PI Trust as a diagnosis.<sup>8</sup>

#### (A) Disease Levels I-III

Except for asbestos claims filed against Quigley or any other asbestos defendant in the tort system prior to the Petition Date, all diagnoses of a non-malignant, asbestos-related disease (Disease Levels I-III) shall be based in the case of a claimant who was living at the time the claim was filed upon a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease. All living claimants must also provide (i) for Disease Levels I and II, evidence of Bilateral Asbestos-Related Non-malignant Disease (as defined in Footnote 4 above); (ii) for Disease Level III, either an ILO reading of 2/1 or greater or a CT scan showing asbestosis (as set forth in Footnote 7 above) or pathological evidence of asbestosis, and (iii) for Disease Levels II and III, Pulmonary Function Testing.

In the case of a claimant who was deceased at the time the claim was filed, all diagnoses of a non-malignant, asbestos-related disease (Disease Levels I-III) shall be based upon either (i) a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease; or (ii) pathological evidence of the non-malignant, asbestos-related disease; or (iii) in the case of Disease Levels I-II, evidence of Bilateral Asbestos-Related Non-malignant Disease (as defined in Footnote 4 above) and for Disease Level III, either an ILO reading of 2/1 or greater or a CT scan showing asbestosis (as set forth in Footnote 7 above) or pathological evidence of asbestosis; and (iv) for either Disease Level II or III, Pulmonary Function Testing.

#### (B) Disease Levels IV-VII

All diagnoses of an asbestos-related malignancy (Disease Levels IV-VII) shall be based upon (i) a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease or (ii) a diagnosis of such a malignant Disease Level by a board-certified pathologist or by a pathology report prepared on or on behalf of a hospital accredited by the Joint Commission on Accreditation of Healthcare Organizations ("JCAHO").

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<sup>8</sup> All diagnoses of Asbestosis/Pleural Disease (Disease Levels I and II) not based on pathology shall be presumed to be based on findings of bilateral asbestosis or pleural disease, and all diagnoses of Mesothelioma (Disease Level VII) shall be presumed to be based on findings that the disease involves a malignancy. However, the Asbestos PI Trust may rebut such presumptions.

(C) Exception to the Exception for Certain Pre-Petition Claims

If the holder of an Asbestos PI Claim that was filed against Quigley or any other defendant in the tort system prior to the Petition Date has available a report of a diagnosing physician engaged by the holder or his or her law firm who conducted a physical examination of the holder as described in Section 5.7(a)(1)(A), or if the holder has filed such medical evidence and/or a diagnosis of the asbestos-related disease by a physician not engaged by the holder or his or her law firm who conducted a physical examination of the holder with another asbestos-related personal injury settlement trust that requires such evidence, without regard to whether the claimant or the law firm engaged the diagnosing physician, the holder shall provide such medical evidence to the Asbestos PI Trust notwithstanding the exception in Section 5.7(a)(1)(A).

(2) Credibility of Medical Evidence

Before making any payment to a claimant, the Asbestos PI Trust must have reasonable confidence that the medical evidence provided in support of the claim is credible and consistent with recognized medical standards. The Asbestos PI Trust may require the submission of X-rays, CT scans, detailed results of pulmonary function tests, laboratory tests, tissue samples, results of medical examination or reviews of other medical evidence, and may require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods and procedures to assure that such evidence is reliable. Medical evidence (i) that is of a kind shown to have been received in evidence by a state or federal judge at trial, or (ii) that is consistent with evidence submitted to Quigley to settle for payment similar disease cases prior to Quigley's bankruptcy or, (iii) that consists of a diagnosis by a physician shown to have previously qualified as a medical expert with respect to the asbestos-related disease in question before a state or federal judge is presumptively reliable, although the Asbestos PI Trust may seek to rebut the presumption.

In addition, claimants who otherwise meet the requirements of this Asbestos TDP for payment of an Asbestos PI Claim shall be paid irrespective of the results in any litigation at anytime between the claimant and any other defendant in the tort system. However, any relevant evidence submitted in a proceeding in the tort system other than any findings of fact, a verdict, or a judgment, involving another defendant, may be introduced by either the claimant or the Asbestos PI Trust in any Individual Review proceeding conducted pursuant to Section 5.3(b) or any Extraordinary Claim proceeding conducted pursuant to Section 5.4(a).

(b) Exposure Evidence - Asbestos PI Claims

(1) In General

As set forth above in Section 5.3(a)(3), to qualify for any Disease Level, the claimant must demonstrate Quigley Exposure which, in the case of Indirect Asbestos PI Claims, shall be Quigley Exposure in respect of the Direct Claimant. Claims based on conspiracy or derivative liability theories that involve no Quigley Exposure are not compensable under this Asbestos TDP. To meet the presumptive exposure requirements of Expedited Review set forth in Section 5.3(a)(3) above, the claimant must show (i) for all Disease Levels, Quigley Exposure as defined in Section 5.7(b)(3) below prior to December 21, 1982; (ii) for Asbestosis/Pleural Disease Level

I, six (6) months Quigley Exposure prior to December 31, 1982, plus five (5) years cumulative occupational asbestos exposure; (iii) for Asbestos/Pleural Disease (Disease Level II), Severe Asbestosis Disease (Disease Level III), Other Cancer (Disease Level IV), or Lung Cancer I (Disease Level VI), the claimant must show six (6) months Quigley Exposure prior to December 21, 1982, plus Significant Occupational Exposure to asbestos. If the claimant cannot meet the relevant presumptive exposure requirements for a Disease Level eligible for Expedited Review, the claimant may seek Individual Review of his or her Quigley Exposure pursuant to Section 5.3(b) above.

(2) Significant Occupational Exposure

“Significant Occupational Exposure” means employment for a cumulative period of at least five (5) years with a minimum of two (2) years prior to December 31, 1982, in an industry and an occupation in which the claimant (a) handled raw asbestos fibers on a regular basis, (b) fabricated asbestos-containing products so that the claimant in the fabrication process was exposed on a regular basis to raw asbestos fibers, (c) altered, repaired or otherwise worked with an asbestos-containing product such that the claimant was exposed on a regular basis to asbestos fibers, or (d) was employed in an industry and occupation such that the claimant worked on a regular basis in close proximity to workers engaged in the activities described in (a), (b), and/or (c).

(3) Quigley Exposure

The claimant must demonstrate meaningful and credible exposure, which occurred prior to December 31, 1982, to asbestos or asbestos-containing products supplied, specified, manufactured, installed, maintained, or repaired by Quigley and/or any entity for which Quigley has legal responsibility (“Quigley Exposure”). That meaningful and credible exposure evidence may be established by an affidavit or sworn statement of the claimant, by an affidavit or sworn statement of a co-worker or the affidavit or sworn statement of a family member in the case of a deceased claimant (providing the Asbestos PI Trust finds such evidence reasonably reliable), by invoices, employment, construction or similar records, or by other credible evidence. Any affidavits or sworn statements submitted to the Asbestos PI Trust must conform to the requirements of applicable state law. The specific exposure information required by the Asbestos PI Trust to process a claim under either Expedited or Individual Review shall be set forth on the proof of claim form to be used by the Asbestos PI Trust. The Asbestos PI Trust can also require submission of other or additional evidence of exposure when it deems such to be necessary.

Evidence submitted to establish proof of Quigley Exposure is for the sole benefit of the Asbestos PI Trust, not third parties or defendants in the tort system. The Asbestos PI Trust has no need for, and therefore claimants are not required to furnish the Asbestos PI Trust with evidence of, exposure to specific asbestos products other than those for which Quigley has legal responsibility, except to the extent such evidence is required elsewhere in this Asbestos TDP. Similarly, failure to identify Quigley products in the claimant’s underlying tort action, or to other bankruptcy trusts, does not preclude the claimant from recovering from the Asbestos PI Trust, provided the claimant otherwise satisfies the medical and exposure requirements of this Asbestos TDP.



## Section 5.8 Claims Audit Program

The Trustees with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative may develop methods for auditing the reliability of medical evidence, including additional reading of X-rays, CT scans and verification of pulmonary function tests as well as the reliability of evidence of exposure to asbestos or asbestos-containing products for which Quigley or any Pfizer Protected Party has legal responsibility. In the event that the Asbestos PI Trust reasonably determines that any individual or entity has engaged in a pattern or practice of providing unreliable medical evidence to the Asbestos PI Trust, it may decline to accept additional evidence from such provider in the future.

Further, in the event that an audit reveals that fraudulent information has been provided to the Asbestos PI Trust, the Asbestos PI Trust may penalize any claimant or claimant's attorney by rejecting the Asbestos PI Claim or by other means including, but not limited to, requiring the source of the fraudulent information to pay the costs associated with the audit and any future audit or audits, reordering the priority of payment of all affected claimants' Asbestos PI Claims, raising the level of scrutiny of additional information submitted from the same source or sources, refusing to accept additional evidence from the same source or sources, seeking the prosecution of the claimant or claimant's attorney for presenting a fraudulent claim in violation of 18 U.S.C. § 152, and seeking sanctions from the Bankruptcy Court.

## Section 5.9 Second Disease (Malignancy) Claims

Notwithstanding the provisions of Section 2.1 that a claimant may not assert more than one (1) Asbestos PI Claim hereunder, the holder of an Asbestos PI Claim involving a non-malignant, asbestos-related disease (Disease Levels I through III) may assert a new Asbestos PI Claim against the Asbestos PI Trust for a malignant disease (Disease Levels IV through VII) that is subsequently diagnosed. Any additional payments to which such claimant may be entitled with respect to such malignant asbestos-related disease shall not be reduced by the amount paid for the non-malignant asbestos-related disease, provided that the malignant disease had not been diagnosed by the time the claimant was paid with respect to his or her original claim involving the non-malignant disease.

## Section 5.10 Arbitration

### (a) Establishment of ADR Procedures

The Asbestos PI Trust, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, shall institute binding and non-binding arbitration procedures in accordance with Dispute Resolution Procedures ("ADR Procedures") to be established by the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, for resolving disputes over whether (i) the Asbestos PI Trust's outright rejection or denial of a claim was proper, (ii) a pre-petition settlement agreement with Quigley is binding and judicially enforceable in the absence of a Final Order of the Bankruptcy Court determining the issue, or (iii) the claimant's medical condition or exposure history meets the requirements of this Asbestos TDP for purposes of categorizing a claim involving Disease Levels I-VII. Binding and non-binding arbitration shall also be available for resolving disputes over the liquidated

value of a claim involving Asbestos Disease Levels III-VII as well as disputes over Quigley's share of the unpaid portion of a Pre-Petition Liquidated Asbestos PI Claim described in Section 5.2 above and disputes over the validity of an Indirect Asbestos PI Claim.

In all arbitrations where relevant, the arbitrator shall consider the same medical and exposure evidentiary requirements that are set forth in Section 5.7 above. In the case of an arbitration involving the liquidated value of a claim involving Disease Levels III-VII, the arbitrator shall consider the same valuation factors that are set forth in Section 5.3(b)(2) above. In order to facilitate the Individual Review Process with respect to such claims, the Asbestos PI Trust may from time to time develop a valuation model that enables the Asbestos PI Trust to efficiently make initial liquidated value offers on those claims in the Individual Review setting. In an arbitration involving any such claim, the Asbestos PI Trust shall neither offer into evidence or describe any such model nor assert that any information generated by the model has any evidentiary relevance or should be used by the arbitrator in determining the presumed correct liquidated value in the arbitration. The underlying data that was used to create the model may be relevant and may be made available to the arbitrator but only if provided to the claimant or his or her counsel ten (10) days prior to the arbitration proceeding. With respect to all claims eligible for arbitration, the claimant, but not the Asbestos PI Trust, may elect either non-binding or binding arbitration. The ADR Procedures may be modified by the Asbestos PI Trust with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative.

(b) Claims Eligible for Arbitration

In order to be eligible for arbitration, the claimant must first complete the Individual Review Process as well as any processes required under the ADR Procedures. Individual Review shall be treated as completed for these purposes when the claim has been individually reviewed by the Asbestos PI Trust, the Asbestos PI Trust has made an offer on the claim, the claimant has rejected the liquidated value resulting from the Individual Review, and the claimant has notified the Asbestos PI Trust of the rejection in writing. Individual Review shall also be treated as completed if the Asbestos PI Trust has rejected the claim.

(c) Limitations on and Payment of Arbitration Awards

In the case of a claim involving Disease Levels I and II, the arbitrator shall not return an award in excess of the Scheduled Value for such claim. In the case of a non-Extraordinary Claim involving Disease Levels III-VII, the arbitrator shall not return an award in excess of the Maximum Value for the appropriate Disease Level as set forth in Section 5.3(a)(3) above, and for an Extraordinary Claim involving any Disease Level, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim as set forth in Section 5.4(a) above. A claimant who submits to arbitration and who accepts the arbitral award shall receive payments in the same manner as one who accepts the Asbestos PI Trust's original valuation of the claim.

Section 5.11 Litigation

Claimants who elect non-binding arbitration and then reject their arbitral awards retain the right to institute a lawsuit in the tort system against the Asbestos PI Trust pursuant to Section

7.6 below. However, a claimant shall only be eligible for payment of a judgment for monetary damages obtained in the tort system from the Asbestos PI Trust's available cash only as provided in Section 7.7 below.

## SECTION VI

### Claims Materials

#### Section 6.1 Claims Materials

The Asbestos PI Trust shall prepare suitable and efficient claims materials ("Claims Materials") for all Asbestos PI Claims and shall provide such Claims Materials upon a written request for such materials to the Asbestos PI Trust. The proof of claim form to be submitted to the Asbestos PI Trust shall require the claimant to assert the highest Disease Level for which the claim qualifies at the time of filing. The proof of claim form shall also include a certification by the claimant or his or her attorney sufficient to meet the requirements of Rule 11(b) of the Federal Rules of Civil Procedure. In developing its claim-filing procedures, the Asbestos PI Trust shall make every effort to provide claimants with the opportunity to utilize currently available technology at their discretion, including filing claims and supporting documentation over the Internet and electronically by disk or CD-Rom. The proof of claim form to be used by the Asbestos PI Trust shall be developed by the Asbestos PI Trust and submitted to the Trust Advisory Committee and the Future Demand Holders' Representative for approval; it may be changed by the Asbestos PI Trust with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative.

#### Section 6.2 Content of Claims Materials

The Claims Materials shall include a copy of this Asbestos TDP, such instructions as the Trustees shall approve, and a detailed proof of claim form. If feasible, the forms used by the Asbestos PI Trust to obtain claims information shall be the same or substantially similar to those used by other asbestos claims resolution organizations. If requested by the claimant, the Asbestos PI Trust shall accept information provided electronically. The claimant may, but shall not be required to, provide the Asbestos PI Trust with evidence of recovery from other asbestos defendants and claims resolution organizations.

#### Section 6.3 Withdrawal or Deferral of Claims

A claimant can withdraw an Asbestos PI Claim at any time upon written notice to the Asbestos PI Trust and file another such claim subsequently without affecting the status of the claim for statute of limitations purposes, but any such claim filed after withdrawal shall be given a place in the FIFO Processing Queue based on the date of such subsequent filing. A claimant can also request that the processing of his or her Asbestos PI Claim by the Asbestos PI Trust be deferred for a period not to exceed three (3) years without affecting the status of the claim for statute of limitations purposes, in which case the claimant shall also retain his or her original place in the FIFO Processing Queue. During the period of such deferral, a sequencing adjustment on such claimant's Asbestos PI Claim as provided in Section 7.5 hereunder shall not accrue and payment thereof shall be deemed waived by the claimant. Except for Asbestos PI

Claims held by representatives of deceased or incompetent claimants for which court or probate approval of the Asbestos PI Trust's offer is required, or an Asbestos PI Claim for which deferral status has been granted, a claim shall be deemed to have been withdrawn if the claimant neither accepts, rejects, nor initiates arbitration within one (1) year of the Asbestos PI Trust's written offer of payment or within six (6) months of the Trust's rejection of the claim. Upon written request and good cause, the Asbestos PI Trust may extend the withdrawal or deferral period for an additional six (6) months.

#### Section 6.4 Filing Requirements and Fees

The Trustees shall have the discretion to determine, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, whether a filing fee should be required for any Asbestos PI claims.

#### Section 6.5 Confidentiality of Claimants' Submissions

All submissions to the Asbestos PI Trust by a holder of an Asbestos PI Claim of 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 Asbestos PI 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 Asbestos PI 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 New York State Court, or the United States District Court for the Southern District of New York. Furthermore, the Asbestos PI Trust shall provide counsel for the holder a copy of any such subpoena immediately upon being served. The Asbestos PI Trust shall on its own initiative or upon request of the claimant in question take all necessary and appropriate steps to preserve said privileges before the Bankruptcy Court, a New York State Court, or the United States District Court for the Southern District of New York and before those courts having appellate jurisdiction related thereto. Notwithstanding anything in the foregoing to the contrary, the Asbestos PI Trust shall comply with Section 9.3(k) of the Plan and, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, the Asbestos PI Trust may, in specific limited circumstances, disclose information, documents or other materials reasonably necessary in the Asbestos PI Trust's judgment to preserve, litigate, resolve, or settle coverage, or to comply with an applicable obligation under an insurance policy or settlement agreement within the Asbestos Insurance Assets; provided, however, that the Asbestos PI Trust shall take any and all steps reasonably feasible in its judgment to preserve the further confidentiality of such information, documents and materials; and prior to the disclosure of such information, documents or materials to a third party, the Asbestos PI Trust shall receive from such third party a written agreement of confidentiality that (a) ensures that the information, documents and materials provided by the Asbestos PI Trust shall be used solely by the receiving party for the purpose stated in the agreement and (b) prohibits any other use or further dissemination of the information, documents and materials by the third party except as set forth in the written agreement of confidentiality. Nothing in this Asbestos TDP, the Plan, or the Asbestos PI Trust Agreement expands, limits or

impairs the obligation under applicable law of a claimant to respond fully to lawful discovery in any underlying civil action regarding his or her submission of factual information to the Asbestos PI Trust for the purpose of obtaining compensation for asbestos-related injuries from the Asbestos PI Trust.

## SECTION VII

### Guidelines for Liquidating and Paying Claims

#### Section 7.1 Showing Required

To establish a valid Asbestos PI Claim, a claimant must meet the requirements set forth in this Asbestos TDP. The Asbestos PI Trust may require the submission of X-rays, CT scans, laboratory tests, medical examinations or reviews, other medical evidence, or any other evidence to support or verify the claim and may further require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods, and procedures to assure that such evidence is reliable.

#### Section 7.2 Costs Considered

Notwithstanding any provisions of this Asbestos TDP to the contrary, the Trustees shall always give appropriate consideration to the cost of investigating and uncovering invalid Asbestos PI Claims so that the payment of valid Asbestos PI Claims is not further impaired by such processes with respect to issues related to the validity of the medical evidence supporting an Asbestos PI Claim. The Trustees shall also have the latitude to make judgments regarding the amount of transaction costs to be expended by the Asbestos PI Trust so that valid Asbestos PI Claims are not unduly further impaired by the costs of additional investigation. Nothing herein shall prevent the Trustees, in appropriate circumstances, from contesting the validity of any claim against the Asbestos PI Trust, whatever the costs, or declining to accept medical evidence from sources that the Trustees have determined to be unreliable pursuant to the Claims Audit Program described in Section 5.8 above.

#### Section 7.3 Discretion to Vary the Order and Amounts of Payments in Event of Limited Liquidity

Consistent with the provisions hereof and subject to the FIFO Processing Queue and FIFO Payment Queues, the Maximum Annual Payment, the Maximum Available Payment, and the Claims Payment Ratio requirements set forth above, the Trustees shall proceed as quickly as possible to liquidate valid Asbestos PI Claims and shall make payments to holders of such claims in accordance with this Asbestos TDP promptly as funds become available and as claims are liquidated, while maintaining sufficient resources to pay future valid claims in substantially the same manner.

Because the Asbestos PI Trust's income over time remains uncertain, and decisions about payments must be based on estimates that cannot be done precisely, payments may have to be revised in light of experiences over time, and there can be no guarantee of any specific level of payment to claimants. However, the Trustees shall use their best efforts to treat similar claims in substantially the same manner, consistent with their duties as Trustees, the purposes of the

Asbestos PI Trust, the established allocation of funds to claims in different categories, and the practical limitations imposed by the inability to predict the future with precision.

In the event that the Asbestos PI Trust faces temporary periods of limited liquidity, the Trustees may, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, (a) suspend the normal order of payment, (b) temporarily limit or suspend payments altogether, (c) offer a Reduced Payment Option as described in Section 2.5 above, and/or (d) commence making payments on an installment basis.

#### Section 7.4 Punitive Damages

Except as provided below for claims asserted under the Alabama Wrongful Death Statute, or as set forth in Section 5.2 above, in determining the value of any liquidated or unliquidated Asbestos PI Claim, punitive or exemplary damages, *i.e.*, damages other than compensatory damages, shall not be considered or paid, notwithstanding their availability in the tort system.

Similarly, no punitive or exemplary damages shall be payable with respect to any claim litigated against the Asbestos PI Trust in the tort system pursuant to Sections 5.11 above and 7.6 below. The only damages that may be awarded pursuant to this Asbestos TDP to Alabama Claimants who are deceased and whose personal representatives pursue their claims only under the Alabama Wrongful Death Statute shall be compensatory damages determined pursuant to the statutory and common law of the Commonwealth of Pennsylvania, without regard to its choice of law principles. The choice of law provision in Section 7.4 herein applicable to any claim with respect to which, but for this choice of law provision, the applicable law of the Claimant's Jurisdiction pursuant to Section 5.3(b)(2) is determined to be the Alabama Wrongful Death Statute, shall only govern the rights between the Asbestos PI Trust and the claimant including, but not limited to, suits in the tort system pursuant to Section 7.6; and to the extent the Asbestos PI Trust seeks recovery from any entity that provided insurance to Quigley, the Alabama Wrongful Death Statute shall govern.

#### Section 7.5 Sequencing Adjustment

##### (a) In General

Subject to the limitations set forth below, a sequencing adjustment shall be paid on all Asbestos PI Claims with respect to which the claimant has had to wait a year or more for payment, provided, however, that no claimant shall receive a sequencing adjustment for a period in excess of seven (7) years. The sequencing adjustment factor for each year shall be the one (1)-year federal funds rate established in January of such year.

##### (b) Unliquidated Asbestos PI Claims

A sequencing adjustment shall be payable on the Scheduled Value of any unliquidated Asbestos PI Claim that meets the requirements of Disease Levels I-IV, VI, and VII, whether the Asbestos PI Claim is liquidated under Expedited Review, Individual Review, or by arbitration. No sequencing adjustment shall be paid on any Asbestos PI Claim liquidated in the tort system pursuant to Sections 5.11 above and 7.6 below. The sequencing adjustment on an unliquidated

Asbestos PI Claim that meets the requirements of Disease Level V shall be based on the Average Value of such an Asbestos PI Claim. Sequencing adjustments on all such unliquidated Asbestos PI Claims shall be measured from the date of payment back to the earliest of the date that is one (1) year after the date on which (a) the claim was filed against a Debtor prior to the Petition Date, (b) the claim was filed against another defendant in the tort system on or after the Petition Date but before the Effective Date, (c) the claim was filed with the Bankruptcy Court during the pendency of the Chapter 11 proceeding, or (d) the claim was filed with the Asbestos PI Trust after the Effective Date.

(c) Liquidated Pre-Petition Asbestos PI Claims

A sequencing adjustment shall also be payable on the liquidated value of all Pre-Petition Liquidated Asbestos PI Claims described in Section 5.2(a) above. In the case of Pre-Petition Liquidated Asbestos PI Claims liquidated by verdict or judgment, the sequencing adjustment shall be measured from the date of payment back to the date that is one (1) year after the date that the verdict or judgment was entered, provided, however, that in no event shall the sequencing adjustment be measured from a date prior to the Petition Date if the liquidated value of the Pre-Petition Liquidated Asbestos PI Claim includes pre-petition interest. In the case of Pre-Petition Liquidated Asbestos PI Claims liquidated by a binding, judicially enforceable settlement, the sequencing adjustment shall be measured from the date of payment back to the date that is one (1) year after the Petition Date.

Section 7.6 Suits in the Tort System

If the holder of a disputed claim disagrees with the Asbestos PI Trust's determination regarding the Disease Level of the claim, the claimant's exposure history or the liquidated value of the claim, and if the holder has first submitted the claim to non-binding arbitration as provided in Section 5.10 above, the holder may file a lawsuit against the Asbestos PI Trust in the Claimant's Jurisdiction as defined in Section 5.3(b)(2) above. Any such lawsuit must be filed by the claimant in her or his 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. All defenses (including, with respect to the Asbestos PI Trust, all defenses which could have been asserted by Quigley) shall be available to both sides at trial; however, the Asbestos PI Trust may waive any defense and/or concede any issue of fact or law. If the claimant was alive at the time the initial pre-petition complaint was filed or on the date the proof of claim form was filed with the Asbestos PI Trust, the case shall be treated as a personal injury case with all personal injury damages to be considered even if the claimant has died during the pendency of the claim.

Section 7.7 Payment of Judgments for Money Damages

If and when a claimant obtains a judgment in the tort system, the claim shall be placed in the FIFO Payment Queue based on the date on which the judgment became final. Thereafter, the claimant shall receive from the Asbestos PI Trust an initial payment (subject, to the applicable Payment Percentage, the Maximum Available Payment, and the Claims Payment Ratio provisions set forth above) of an amount equal to the greater of (i) the Asbestos PI Trust's last offer to the claimant or (ii) the award that the claimant declined in non-binding arbitration; provided, however, that in no event shall such payment amount exceed the amount of the

judgment obtained in the tort system. The claimant shall receive the balance of the judgment, if any, in five (5) equal installments in years six (6) through ten (10) following the year of the initial payment (also subject to the applicable Payment Percentage, the Maximum Available Payment, and the Claims Payment Ratio provisions set forth above in effect on the date of the payment of the subject installment).

In the case of claims involving Disease Levels I-II, the total amounts paid with respect to such claims shall not exceed the relevant Scheduled Value for such Disease Levels as set forth in Section 5.3(a)(3) above. In the case of claims involving a non-malignant, asbestos-related disease that does not attain classification under Disease Levels I or II, the amount payable shall not exceed the Scheduled Value for the Disease Level most comparable to the disease proven. In the case of non-Extraordinary Claims involving severe asbestosis and malignancies (Disease Levels III-VII), the total amounts paid with respect to such claims shall not exceed the Maximum Values for such Disease Levels set forth in Section 5.3(b)(3). In the case of Extraordinary Claims, the total amounts paid with respect to such claims shall not exceed the maximum extraordinary values for such claims set forth in Section 5.4(a) above. Under no circumstances shall a sequencing adjustment be paid pursuant to Section 7.5 or interest to be paid under any statute on any judgments obtained in the tort system.

#### Section 7.8 Releases

The Trustees shall have the discretion to determine the form and substance of the releases to be provided to the Asbestos PI Trust. As a condition to making any payment to a claimant, the Asbestos PI Trust shall obtain a general, partial, or limited release as appropriate in accordance with the applicable state or other law. If allowed by state law, the endorsing of a check or draft for payment by or on behalf of a claimant may, in the discretion of the Trust, constitute such a release.

#### Section 7.9 Third-Party Services

Nothing in this Asbestos TDP shall preclude the Asbestos PI Trust from contracting with another asbestos claims resolution organization to provide services to the Asbestos PI Trust provided that categorization and liquidated values of Asbestos PI Claims are based on the relevant provisions of this Asbestos TDP, including the Disease Levels, Scheduled Values, Average Values, Maximum Values, and Medical/Exposure Criteria set forth above.

#### Section 7.10 Asbestos PI Trust Disclosure of Information

Periodically, but not less often than once a year, the Asbestos PI Trust shall make available to claimants and other interested parties the number of claims by Disease Levels that have been resolved both by the Individual Review Process and by arbitration, as well as by litigation in the tort system indicating the amounts of the awards and the averages of the awards by jurisdiction.



## SECTION VIII

### Miscellaneous

#### Section 8.1 Amendments

Except as otherwise provided herein, the Trustees may amend, modify, delete, or add to any provisions of this Asbestos TDP (including, without limitation, amendments to conform this Asbestos TDP to advances in scientific or medical knowledge or other changes in circumstances), provided they first obtain the consent of the Trust Advisory Committee and the Future Demand Holders' Representative pursuant to the Consent Process set forth in Sections 6.06(b) and 7.07(b) of the Asbestos PI Trust Agreement, except 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. Nothing herein is intended to preclude the Trust Advisory Committee or the Future Demand Holders' Representative from proposing to the Trustees, in writing, amendments to this Asbestos TDP. Any amendment proposed by the Trust Advisory Committee or Future Demand Holders' Representative shall remain subject to Section 8.03 of the Trust Agreement.

#### Section 8.2 Severability

Should any provision contained in this Asbestos 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 Asbestos TDP. Should any provision contained in this Asbestos TDP be determined to be inconsistent with or contrary to Quigley obligations to any insurance company providing insurance coverage to Quigley in respect of claims for personal injury based on exposure to asbestos-containing products manufactured or produced by Quigley, the Trustees, with the consent of the Trust Advisory Committee and the Future Demand Holders' Representative, may amend this Asbestos TDP and/or the Asbestos PI Trust Agreement to make the provisions of either or both documents consistent with the duties and obligations of Quigley to said insurance company.

#### Section 8.3 Governing Law

Except for purposes of determining the liquidated value of any Asbestos PI Claim, administration of this Asbestos TDP shall be governed by, and construed in accordance with, the laws of the State of New York. The law governing the liquidation of Asbestos PI Claims in the case of Individual Review, arbitration or litigation in the tort system shall be the law of the Claimant's Jurisdiction as described in Section 5.3(b)(2) above. Any reference to the tort system shall mean the United States tort system.