## APG ASBESTOS TRUST

#### ALTERNATIVE DISPUTE RESOLUTION (ADR) PROCEDURES

Pursuant to Section 5.10 of the First Amended and Restated APG Asbestos Trust Distribution Procedures (the "*TDP*"), the APG Asbestos Trust (the "*APG Trust*" or the "*Trust*") hereby establishes the following Alternative Dispute Resolution ("*ADR*") Procedures to resolve all present and future APG Asbestos Trust Claims ("*Trust Claim*" or "*Trust Claims*") as that term is defined in the Third Amended Plan of Reorganization for Global Industrial Technologies, Inc. Dated December 28, 2005 (the "*Plan*"). All capitalized terms herein shall be as defined and/or referenced within the TDP.

## I. OVERVIEW

The APG Trust shall appoint a Private Adjudication Coordinator, at the cost of the APG Trust, to administer these ADR procedures. To initiate these procedures, the claimant must make a written request to the APG Trust. Within ten (10) days of a claimant's request for ADR, the APG Trust will send the claimant an ADR packet containing the documents necessary to pursue the ADR process. These ADR procedures shall not be construed as imparting to any claimant any substantive or procedural rights beyond those conferred by the TDP.

The ADR process available to the claimant includes both non-binding and binding arbitration. These ADR procedures must be pursued by claimants on an individual basis. As a general matter, claims of different claimants cannot be grouped together even if the claimants are represented by the same counsel, unless the APG Trust, in its sole discretion, decides it would be expeditious to conduct an arbitration proceeding with respect to more than one claim. In such a case, however, the arbitrator must individually value each such claim using the valuation factors set forth in Section 5.3(b)(3) of the TDP, and the claimants' positions in the APG Trust's FIFO Processing and Payment Queues must be separately maintained.

## A. Initiation of ADR Proceedings

A claimant initiates ADR proceedings by sending written notice to the APG Trust and paying an administrative fee of \$150.00. Within ten (10) days of a claimant's request for ADR, the APG Trust will send the claimant an ADR packet containing a copy of these procedures and the following:

- 1. A copy of these ADR Procedures;
- 2. Form Affidavit of Completeness;
- 3. Election Form and Agreement for Binding Arbitration; and
- 4. Election Form and Agreement for Non-Binding Arbitration.

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

When the claimant requests arbitration, either binding or non-binding, the APG Trust shall execute the appropriate election form and agreement. If the claimant requests binding arbitration, then the claimant and the APG Trust waive their respective rights to seek a jury trial as set forth in the TDP upon execution of the Agreement for Binding Arbitration.

If either party rejects a non-binding arbitration award, and the claimant has otherwise complied with the requirements of these ADR procedures and the Plan, then the claimant may commence a lawsuit against the APG Trust in the Claimant's Jurisdiction, as that term is defined in Section 5.3(b)(3) of the TDP.

## B. Showing Required

As set forth in the TDP, in order to establish a valid Trust Claim, a claimant must among other things make a demonstration of APG Exposure (as defined in Section 5.7(b)(3) of the TDP).

## C. Binding and Non-Binding Arbitration Procedures

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

As stated in TDP Section 5.10(c), arbitrators evaluating non-Extraordinary Claims involving Disease Levels I – IV, VI and VII, shall not return an award in excess of the Scheduled Value for the appropriate Disease Level as set forth in Section 5.3(a)(3) of the TDP. However, in the case of a non-Extraordinary Claim involving Disease Level V (Lung Cancer 2), the arbitrator shall not return an award in excess of the maximum value for such claim that is also set forth in Section 5.3(a)(3). In the case of an Extraordinary Claim involving Disease Levels I – VII, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim set forth in Section 5.4(a) of the TDP. If the claimant requests arbitration, either binding or non-binding, then the APG Trust shall execute the appropriate Election Form and Agreement. The APG Trust may not decline the claimant's election of either binding or non-binding arbitration, but reserves all rights to reject any award in a non-binding arbitration proceeding.

# II. RULES GOVERNING NON-BINDING AND BINDING ARBITRATION

## A. Election by the Claimant

- 1. Within ninety (90) days of claimant's receipt of the ADR packet, the claimant must send the APG Trust the Election Form and the Agreement for Binding or Non-Binding Arbitration (Attachments 1 and 2).
- 2. The claimant must also sign the Affidavit of Completeness (Attachment 3) and return it to the APG Trust with a copy to the Private Adjudication Coordinator within ninety (90) days of receipt of the ADR packet. The Affidavit of Completeness shall verify that all information to be considered in the arbitration has been provided to the APG Trust while the claim was under review by the APG Trust.
- 3. The APG Trust shall review the Election Form and Agreement for Binding or Non-Binding Arbitration (Attachments 1 and 2), and, within five (5) business days after receipt by the APG Trust of the Election Form and Agreement, the APG Trust shall sign the Arbitration Agreement and shall immediately send a fully signed Arbitration Agreement to the Private Adjudication Coordinator.

# **B.** Selection of the Arbitrator

- 1. As soon as reasonably possible after the receipt by the Private Adjudication Coordinator of the signed Arbitration Agreement, but no more than ten (10) days after the receipt of the signed Arbitration Agreement, the Private Adjudication Coordinator shall select three potential arbitrators from a rotating list kept by the Private Adjudication Coordinator. Assignments of arbitrators will be made by the Private Adjudication Coordinator based on the geographic region in which the claimant is located. The Private Adjudication Coordinator shall promptly notify the arbitrators and the parties of the potential arbitrators' selection. If a potential arbitrator is unable or unwilling to serve, then a replacement selection will be made prior to notifying the APG Trust and the claimant of the potential arbitrators selected.
- 2. Within seven (7) days of receipt by the APG Trust of the list of potential arbitrators, the APG Trust may select, and identify to the Private Adjudication Coordinator, one potential arbitrator to be stricken from the list. The Private Adjudication Coordinator shall then promptly notify the claimant of the APG Trust's selection, whereupon, within seven (7) days

of the receipt by the claimant of such notification, the claimant may select, and identify to the Private Adjudication Coordinator, a second potential arbitrator to be stricken from the list. The Private Adjudication Coordinator shall then notify all parties which potential arbitrator remains and will conduct the arbitration. If either the APG Trust or the claimant, or both, fails to exercise the right to strike an arbitrator from the list of potential arbitrators, the Private Adjudication Coordinator shall appoint from those potential arbitrators remaining the arbitrator next in rotation on the APG Trust's rotating list.

3. Any appointed arbitrator shall disclose to the Private Adjudication Coordinator any circumstances likely to affect impartiality including any bias or any financial or personal interest in the result of the arbitration or any past or present relationship with the parties or representatives. Upon receipt of such information from the arbitrator or another source, the Private Adjudication Coordinator shall communicate the information to the parties and, if the administrator deems necessary, to the arbitrator and others. Upon objection of a party to the continued service, the Private Adjudication Coordinator shall determine whether the arbitrator should be disqualified and shall inform the parties of the decision, which shall be final.

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

In the event that the Extraordinary Claims Panel has deemed the claim worthy of extraordinary treatment, the Private Adjudication Coordinator shall forward to the arbitrator the written decision of the Extraordinary Claims Panel, and the parties may submit a final request of up to a maximum extraordinary value of five (5) times the Scheduled Value set forth in Section 5.3(a)(3) of the TDP for the claimant's Disease Level, except in the case of Disease Level V (Lung Cancer 2), the claimant may request up to five times the liquidated value of the claim determined pursuant to the Individual Review Process. In such circumstances, the arbitrator may issue an award in accordance with such a final offer/request.

In the event that the Extraordinary Claims Panel declined to give extraordinary treatment to the claim, the arbitrator shall not be informed of the Extraordinary Claims Panel's decision, and the claimant must confine his/her award to the value ascribed to the type of injury in the TDP because the arbitrator may not award an amount in excess of the Scheduled Value (or maximum value for Disease 1 Level V (Lung Cancer 2) claims) assigned to the appropriate category for the injury in the TDP. The APG Trust will not engage in non-binding or binding arbitration, and reserves the unilateral right to withdraw from a signed non-binding or binding arbitration agreement at any time, where the claimant's final offer and award demand exceeds the Scheduled Value (or maximum value for Disease 1 Level V (Lung Cancer 2) claims) assigned to the type of injury in the TDP and the Extraordinary Claims Panel has declined to give extraordinary treatment to the claim.

## D. Final Offer or "Baseball Style" Binding Arbitration

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

## E. Submission of Pre-Hearing Statements

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

The Private Adjudication Coordinator will provide the arbitrator with the TDP and any addenda thereto, these ADR Procedures, which include a complete schedule of Disease Levels and their Scheduled Values (along with the maximum value for a Level V non-Extraordinary claim) as set forth in Section 5.3(a)(3) of the TDP, and extraordinary values as set forth in Section 5.4(a) of the TDP, and a copy of the claim file. When transmitting this information, the APG Trust claims processor and Private Adjudication Coordinator will use all reasonable and prudent efforts to ensure the claimant information remains confidential and protected.

# F. Initial Pre-Hearing Conference, Scheduling Hearing Date, Optional Video or Telephone Conference for Arbitration Hearing

- 1. Within fifteen (15) calendar days of the receipt of both party's briefs, the Private Adjudication Coordinator shall contact the claimant, the arbitrator, and the APG Trust to schedule the initial pre-hearing conference. The initial pre-hearing conference shall be presided over by the arbitrator and held by telephone conference call.
- 2. During the initial pre-hearing conference, the arbitrator shall schedule the date and, if applicable, select the location of the arbitration hearing. By agreement of the parties, the arbitration hearing may be conducted inperson, by video conference, or by telephone conference. If the arbitration

is to take place in person, the hearing shall take place either at the location of the arbitrator or, if the claimant intends to appear at the hearing, the location of the arbitration hearing shall be in the major city that is closest to the location of the claimant. If the arbitration takes places by video or telephone conference, the Private Adjudication Coordinator will make appropriate arrangements for the APG Trust and the arbitrator to participate by video conference or by telephone conference. The APG Trust shall pay for its and the arbitrator's cost for use of video conference equipment and facilities. The claimant shall only be responsible for his/her costs (including participation by claimant's counsel). The arbitration hearing should be scheduled not less than thirty (30) days, and not more than forty-five (45) days, from the date of the initial pre-hearing The Private Adjudication Coordinator will mail a conference. confirmation notice of this date and location to the claimant and the APG Trust.

- 3. During the initial pre-hearing conference, the arbitrator shall seek to achieve agreement between the parties on:
  - a. narrowing the issues (through methods including but not limited to stipulation of facts);
  - b. whether the claimant will appear at the hearing (at the claimant's sole discretion);
  - c. any legal issues; and
  - d. any other matters that will expedite the arbitration proceedings.

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

#### G. No Discovery With Limited Exceptions

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

# H. No Record of Proceedings

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

# I. Postponement of Hearing

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

## J. Duration of Hearings

The arbitrator shall complete the hearing in one day except for good cause shown. The arbitrator shall set time limits on the respective presentations, and shall enforce those set limits. The parties shall request no more than three hours apiece for presentation of their cases, including closing arguments.

## K. Procedure at Arbitration Hearing

## **1.** Testimony Under Oath or Affirmation

If the claimant or any other witness testifies, such testimony shall be under oath or affirmation administered by the arbitrator.

# 2. Conduct of Hearing

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

## 3. Evidence

- **a. Rules of Evidence:** The arbitrator is not required to apply the rules of evidence used in judicial proceedings, provided, however that the arbitrator shall apply the attorney-client privilege and the work product privilege. The arbitrator shall determine the applicability of any privilege or immunity and the admissibility, relevance, materiality and weight of the evidence offered.
- **b.** Admission of Evidence: The evidence that the arbitrator may consider shall be limited to the following:

- 1) The documents supplied by the claimant to the APG Trust prior to the execution of the Affidavit of Completeness;
- 2) The Agreement for Binding Arbitration or the Agreement for Non-Binding Arbitration;
- 3) Testimony of the claimant. The claimant may offer evidence regarding the nature and extent of compensable damages, including physical injuries, APG Exposure and economic loss, except that the claimant may not offer evidence beyond what was included in the documents contained in the claimant's file as of the execution of the Affidavit of Completeness. The APG Trust may crossexamine on these issues.
- 4) At the sole election of the APG Trust, underlying data that was used by the APG Trust to make initial liquidated value offers on claims in the Individual Review Process, so long as such information has been provided to the claimant or his or her counsel ten (10) days prior to the arbitration proceeding as provided in Section 5.10(a) of the TDP.
- 5) Any additional deposition testimony allowable under Section II(F) of these ADR procedures taken by the APG Trust or the claimant, and provided to both sides at least ten (10) days prior to the commencement of the arbitration hearing.
- 6) Closing arguments of the claimant and the APG Trust. The arguments shall be limited to the evidence contained and the issues raised in the documents or testimony referred to above and shall be limited to ½ hour for each party. The arbitrator shall disregard any effort to introduce further evidence or issues in argument.

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

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

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

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

## N. Option to Waive Oral Hearings

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

#### **O.** Arbitration Decision

- 1. The arbitrator shall issue a decision no later than fifteen (15) calendar days after the date of the close of the hearing or submission of post-hearing briefs, whichever is later.
- 2. The decision shall state only the amount of the award, if any. The decision shall not state reasons for the award. An arbitrator shall not be permitted to award punitive, exemplary, trebled or other like damages or attorneys' fees, and prejudgment and post-judgment interest and costs shall not be sought or allowed. The award shall dispose of all monetary claims presented to the arbitrator and shall determine fully the only issue to be decided pursuant to the arbitration agreement: the amount, if any, at which the claim value should be fixed. To assist the arbitrator, the Private Adjudication Coordinator will provide the arbitrator with a complete schedule of Disease Levels and their Scheduled Values (along with the maximum value for a Level V non-Extraordinary claim) as set forth in Section 5.3(a)(3) of the TDP, and extraordinary values as set forth in Section 5.4(a) of the TDP, as well as a complete copy of the TDP.

As stated in TDP Section 5.10(c), arbitrators evaluating non-Extraordinary Claims involving Disease Levels I – IV, VI and VII, shall not return an award in excess of the Scheduled Value for the appropriate Disease Level as set forth in Section 5.3(a)(3) of the TDP. However, in the case of a non-Extraordinary Claim involving Disease Level V (Lung Cancer 2), the arbitrator shall not return an award in excess of the maximum value for such claim that is also set forth in Section 5.3(a)(3). In the case of an Extraordinary Claim involving Disease Levels I – VII, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim set forth in Section 5.4(a) of the TDP.

Where relevant, the arbitrator shall apply the same medical and exposure evidentiary requirements that are set forth in Section 5.7 of the TDP. For arbitrations involving Disease Level V (Lung Cancer 2), Foreign Claims and Extraordinary Claims, the arbitrator shall apply the same valuation factors set forth in Section 5.3(b)(3) of the TDP.

# P. Payment of Award

Pursuant to the terms of the arbitration agreement, the APG Trust will promptly send to the claimant the appropriate release. The APG Trust will then pay the claim based upon the binding or, if accepted by both parties, the non-binding award, in accordance with the TDP provisions in effect as of the date the APG Trust accepts and consents to the Election Form and Agreement for Binding or Non-Binding Arbitration.

# Q. Rejection of Non-binding Award

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

# 1. Procedure for Rejected Award

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

## III. GENERAL ADR PROCEDURES GOVERNING NON-BINDING ARBITRATION AND BINDING ARBITRATION

#### A. ADR Submissions

The claimant's submissions will be reviewed by the Private Adjudication Coordinator before they are submitted to the arbitrator. If they contain materials not previously submitted in support of the claim, then the APG Trust's claims processor will review the additional information and determine the effect, if any, it would have on the APG Trust's evaluation of the claim. In appropriate situations, a new offer may be made to the claimant.

If an attorney or other agent represents the claimant, both the attorney *and* the claimant must also sign the Election and Agreement for Binding Arbitration. The attorney or agent may not sign in place of, or for, the claimant unless the claimant is incapacitated, incompetent or deceased and the attorney or agent has been designated legally to act on the claimant's behalf. Documentation of this legal designation will be required.

## B. No Grouping or Bundling of Claims

As a general matter, there shall be no grouping or bundling of claims by separate claimants at any stage of the arbitrations even if the claims are related and/or the claimants have the same counsel. Each claimant must proceed individually through the arbitration process with all claims that the claimant may have or represent. This provision is intended to separate claims of different exposed persons and has no effect upon multiple claims brought by a claimant's representative, such as heirs of a deceased worker. However, the APG Trust, in its sole discretion, may decide that it would be expeditious to conduct an arbitrator individually values each such claim in accordance with the valuation factors set forth in Section 5.3(b)(3) of the TDP, and the respective claimants' separate positions in the APG Trust's FIFO Processing and Payment Queues are maintained.

## C. No Ex Parte Communication

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

## D. Claims and Defenses

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

# E. Costs of ADR

# 1. ADR Expense

The APG Trust will pay the arbitrator's fee for non-binding or binding arbitration up to \$2,000.00 per claim depending on the length of the hearing; provided, however, that the APG Trust may, in its discretion, allow a higher arbitrator's fee under appropriate circumstances as shall be set forth in the APG Trust's agreement with the arbitrator. The APG Trust will assume costs of meeting and hearing facilities for arbitration. Claimants will pay their costs and attorney fees, including any expenses incurred should the claimant testify, but will have no responsibility for payment of the arbitrator's fee.

# 2. Filing Fee

The claimant shall pay a filing fee of \$150.00 to commence arbitration, which fee shall be refundable if the claimant prevails.

# F. Waiver of Objection to Rules Infraction

Either party who continues with the non-binding arbitration or binding arbitration proceeding after knowing that any provision or requirement of the applicable rules has not been complied with, and who fails to state a timely objection in writing to the arbitrator shall be deemed to have waived the right to object. A timely objection by a claimant must be stated in writing and sent to the APG Trust and the Private Adjudication Coordinator to forward to the arbitrator. A timely objection by the APG Trust will be mailed to the claimant and to the Private Adjudication Coordinator with instructions to forward the objection to the arbitrator.

# G. Serving of Notices and Other Papers

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

- 1. By regular U.S. mail or overnight courier addressed to such party or their attorneys at their last known address;
- 2. By facsimile transmission, if a copy of the transmitted papers is mailed addressed to the party or their attorney at their last known address within twenty-four (24) hours of the facsimile transmission;
- 3. By electronic mail; or,

4. By personal service, within or without the jurisdiction where the arbitration is to be held, whether the party is within or without the United States of America.

## H. Time Limits Triggered Upon Receipt

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

# I. Exclusion of Liability

Neither the Private Adjudication Coordinator nor the arbitrator shall be liable to any party for any act or omission in connection with any evaluation conducted under these rules.

# J. Relationship of Rules to Non-Binding Arbitration Agreement or Binding Arbitration Agreement

These Rules shall be deemed a part of, and incorporated by reference in, every duly executed arbitration agreement and shall be binding on all parties.

## K. Arbitrator Immunity

Arbitrators who serve pursuant to these rules shall have the same immunity as judges for their official acts.

## L. Jurisdiction

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

## M. Statement of Confidentiality

1. All arbitration proceedings and information relating to the proceeding will be confidential. Neither party shall disclose the information obtained during the proceedings, nor the valuation placed on the case by an arbitrator to anyone or use such information or valuation in any further proceeding except as necessary to maintain the APG Trust's obligation to report to the Bankruptcy Court and to provide ongoing evaluation by the APG Trust. Except for documents prepared by a non-party which are introduced as evidence before an arbitrator any document prepared by another party, attorney or other participant in anticipation of the arbitration is privileged and shall not be disclosed to any court or arbitrator or construed for any purpose as an admission against interest.

2. All arbitration proceedings shall be deemed a settlement conference pursuant to Rule 408 of the Federal Rules of Evidence. Except by agreement of the parties, the parties will not introduce into evidence in any other proceedings the fact that there was an arbitration, the nature or amount of the award, and written submissions may not be used for purposes of showing accord and satisfaction or res judicata. In binding arbitration, the decision of the arbitrator may be admissible in the event the claimant improperly seeks to litigate the claim. The binding arbitration award shall be admissible in support of a motion to enjoin such litigation or to enforce the binding arbitration award. No arbitrator will ever be subpoenaed or otherwise required by any party or any third party, to testify or produce records, notes, or work product in any future proceedings.

# N. Amendments

Except as otherwise ruled by the Bankruptcy Court, these rules, as they may from time to time be amended by the APG Trustees, with the consent of the Trust Advisory Committee and the Future Asbestos Claimants' Representative, will be binding on all parties in the form in which they are in force on the date the claimant signs the election agreement.

# **O.** Time Limits

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

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

## **APG ASBESTOS TRUST**

## ELECTION FORM AND AGREEMENT FOR BINDING ARBITRATION

I, \_\_\_\_\_ ("*Claimant*"), Claim No. \_\_\_\_\_, hereby elect and agree to:

Submit all disputes with the APG Trust relating to my claim to Binding Arbitration under the terms for Binding Arbitration established by the APG Trust. I have been provided with a copy of the rules relating to Binding Arbitration established by the APG Trust. I understand and agree to abide by those rules in the course of the Binding Arbitration. I understand that as a result of this agreement, if accepted by the APG Trust, I will waive my rights to litigate my claim in court, including the right to trial by jury, and I will be bound by the arbitration award.

Dated: \_\_\_\_\_, \_\_\_\_.

Claimant

Claimant's Attorney

#### Claimant and attorney must both sign

Accepted and Consented to:

By accepting this agreement the APG Trust waives its rights to litigate the claimant's claim in court, including the right to trial by jury, and agrees to be bound by the arbitration award.

APG ASBESTOS TRUST

By:\_\_\_\_\_

\_\_\_\_\_Title

Dated:\_\_\_\_\_

## **APG ASBESTOS TRUST**

## ELECTION FORM AND AGREEMENT FOR NON-BINDING ARBITRATION

I, \_\_\_\_\_ ("*Claimant*"), Claim No. \_\_\_\_\_, hereby elect and agree to:

Submit all disputes with the APG Trust relating to my claim to Non-Binding Arbitration under the terms for Non-Binding Arbitration established by the APG Trust. I have been provided with a copy of the rules relating to Non-Binding Arbitration established by the APG Trust. I understand and agree to abide by those rules in the course of the Non-Binding Arbitration.

Dated: \_\_\_\_\_, \_\_\_\_.

Claimant or Claimant's Attorney

Accepted and Consented to:

APG ASBESTOS TRUST

By:\_\_\_\_\_

\_\_\_\_\_Title

Dated:\_\_\_\_\_

STATE OF	)
	) SS:
COUNTY OF	)

# AFFIDAVIT OF COMPLETENESS

I, \_\_\_\_\_, as the person [or legal representative of the person] who has filed a claim against the APG Asbestos Trust (the "*APG Trust*" or the "*Trust*"), being duly sworn, depose and say:

I verify that all information with respect to my APG Asbestos Trust Claim that will be considered in the Alternative Dispute Resolution ("*ADR*") process has been previously provided to the APG Trust.

I have furnished all information which I wish to be considered in the valuation of claim number \_\_\_\_\_\_.

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

By\_\_\_\_

Claimant or Legal Representative of Claimant

Date\_\_\_\_\_

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