

**WRG
Asbestos PI Trust**

August 15, 2014

Dear Prospective Claimant or Claimant Counsel:

The WRG Asbestos PI Trust (“the Trust”) has been established under Chapter 11 of the Bankruptcy Code to resolve all “Asbestos Personal Injury Claims” as defined the First Amended Joint Plan of Reorganization of W.R. Grace & Co. and Its Debtor Subsidiaries (As Modified) (the “Plan”).

The Trust is commencing its operations and will begin receiving and processing claims on August 25, 2014 at 10:00 am Eastern Time. The claim form is enclosed. The claim form, as well as this instruction letter, and other relevant documents and reference materials are available on the Trust’s website (wrgraceasbestostrust.com) and may be downloaded at any time.

This instruction letter is intended to summarize certain significant issues related to filing a personal injury claim with the Trust. *Nothing in this letter is intended to replace or modify the requirements of the WRG Asbestos PI Trust Distribution Procedures (TDP)*¹. *To the extent this instruction letter conflicts with the TDP, the TDP controls. All claimants are encouraged to read thoroughly and understand the TDP before filing a claim with the Trust.*

¹ Please refer to the Trust’s website (wrgraceasbestostrust.com) for the TDP.

Ordering of Claims:

Pursuant to Section 5.1(a)(1) of the TDP, claims received prior to February 25, 2015 (the “Initial Claims Filing Date”) will be ordered for processing based on the earlier of:

The date prior to April 2, 2001 (the “Petition Date”) that the specific claim was either filed against W.R. Grace and/or the Debtors (“WRG”) in the tort system or submitted to WRG pursuant to an administrative settlement;

The date prior to April 2, 2001 (the “Petition Date”) that a claim was filed against another defendant in the tort system if, at the time, the claim was subject to a tolling agreement with WRG;

The date after April 2, 2001 (the “Petition Date”) but before February 25, 2015 (the “Initial Claims Filing Date”) that the claim was filed against another asbestos defendant in the tort system;

The date after April 2, 2001 (the “Petition Date”) but before February 3, 2014 (the “Effective Date”) that a Proof of Claim was filed by the claimant against WRG in the Chapter 11 proceeding; or

The date after April 2, 2001 (the “Petition Date”) that a ballot was submitted on behalf of the claimant for purposes of voting to accept or reject the Plan.

Claims received on or after February 25, 2015 (the “Initial Claims Filing Date”) will be ordered for processing on a first-in-first-out (FIFO) basis.

Claims will be paid in the order in which they are evaluated and approved for payment.

Expedited Review (ER) and Individual Review (IR) Claims:

Pursuant to Sections 5.3(a) and 5.3(b) of the TDP, a claimant may elect to submit a claim for either Expedited Review (ER) or Individual Review (IR). The ER process is designed primarily to provide an expeditious, efficient and inexpensive method for liquidating all categories of PI Trust claims (except those involving Lung Cancer 2, Foreign Claims, and Secondary Exposure Claims). ER is a method of review intended for claims that can be easily verified by the Trust as meeting the presumptive Medical/Exposure criteria for the relevant disease level. ER will provide qualifying claimants a fixed claims payment subject to the Payment Percentage (see Scheduled Values below). Accordingly, ER provides claimants with a substantially less burdensome process for pursuing PI Trust claims than the IR process described below and in Section 5.3(b) of the TDP.

Alternatively, a claimant may elect to have a claim undergo the IR process if the claim does not meet presumptive Medical/Exposure criteria for Disease Levels I-V, VII and VIII or to determine whether the liquidated claims value exceeds the Scheduled Value for Disease Levels II-V, VII and VIII. The IR Process provides the claimant with an opportunity for individual consideration and evaluation of the Medical/Exposure information submitted as well as the liquidated value of the claim. The IR process is intended to result in payments equal to the liquidated value for each claim multiplied by

the Payment Percentage; however, the liquidated value of any PI Trust claim that undergoes IR may be determined to be less than the claimant would have received under ER. Because the detailed examination and valuation process related to IR requires substantial time and effort, claimants electing to undergo the IR process will ordinarily have a longer waiting period for payment than would have been the case had the claimants elected the ER process.

Settlement Offers:

Valid ER claims will be paid the following Scheduled Values, multiplied by the Payment Percentage that is in effect at the time pursuant to the TDP. Disease Level I claims are not subject to the Payment Percentage.

<u>Disease Level</u>	<u>Scheduled Disease</u>	<u>Scheduled Value</u>
VIII	Mesothelioma	\$180,000
VII	Lung Cancer 1	\$42,000
VI	Lung Cancer 2	None
V	Other Cancer	\$20,000
IV-A	Severe Asbestosis	\$50,000
IV-B	Severe Disabling Plueral Disease	\$50,000
III	Asbestosis/Pleural Disease	\$7,500
II	Asbestosis/Pleural Disease	\$2,500
I	Other Asbestos Disease (Cash Discounted Payment)	\$300

Payment Percentage:

The current Payment Percentage will be published on the website. The Payment Percentage is subject to adjustment by the Trustees under the terms of the TDP. Payment will be made as soon as practicable after receipt and review of the completed Claim Form and receipt of a fully executed release. Sequencing adjustment will be calculated as applicable at time of payment pursuant to Section 7.5 of the TDP. Disease Level I claims are not eligible for sequencing adjustment.

Proof Required to Qualify for Payment:

To qualify for payment, a claimant must provide credible medical and exposure evidence pursuant to the TDP and a submission deemed to be complete by the Trust.

Medical and Exposure Criteria for Qualification:

The medical criteria that a claim must meet to receive an offer for the Scheduled Value are as follows:

Level VIII: Mesothelioma

1. Diagnosis of mesothelioma; and
2. WRG Exposure as defined in Section 5.7(b)(3) of the TDP prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii).

Level VII: Lung Cancer 1

1. Diagnosis of a primary lung cancer plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease as defined in Footnote 5 of the TDP;
2. Six months of WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP;
3. For claimants whose WRG Grace exposure is not described in Section 5.7(b)(3)(ii) of the TDP, Significant Occupational Exposure to asbestos; and
4. Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Level VI: Lung Cancer 2

1. Diagnosis of a primary lung cancer;
2. WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP; and
3. Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Lung Cancer 2 (Level VI) Claims are those that do not meet the more stringent medical and/or exposure requirements of Lung Cancer 1 (Level VII) claims. All claims in this Disease Level shall undergo IR. The estimated likely average of the individual evaluation awards for this category for WRG Claims is \$14,000, with such awards capped at \$33,000 unless the claim qualifies for Extraordinary Claim treatment.

Disease Level VI Claims are those that do not meet the more stringent medical and/or exposure requirements of Lung Cancer 1 (Level VII) Claims. There is no Scheduled Value for Disease Level VI Claims; rather they must be filed as IR claims and individually evaluated. The estimated anticipated average of the individual awards for a valid claim in this category for WRG Claims is \$14,000 with awards capped at \$33,000, unless the claim qualifies for Extraordinary Treatment pursuant to TDP Section 5.4(a). All payments for Level VI Claims are subject to the applicable Payment Percentage.

Level V: Other Cancer

1. Diagnosis of a primary colorectal, laryngeal, esophageal, pharyngeal, or stomach cancer, plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease;
2. Six months WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP;
3. For claimants whose WRG Grace exposure is not described in Section 5.7(b)(3)(ii) of the TDP, Significant Occupational Exposure to asbestos; and
4. Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the other cancer in question.

Level IV-A: Severe Asbestosis

1. Diagnosis of asbestosis with ILO of 2/1 or greater, or asbestosis determined by pathological evidence of asbestos, plus (a) TLC less than 65% or (b) FVC less than 65% and FEV1/FVC ratio greater than 65%;
2. Six months WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP;
3. For claimants whose WRG Grace exposure is not described in Section 5.7(b)(3)(ii) of the TDP, Significant Occupational Exposure to asbestos; and
4. Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question.

Level IV-B: Severe Disabling Pleural Disease

1. Diagnosis of diffuse pleural thickening of at least “2” and at least width “a” as one component of bilateral non-malignant asbestos related disease based on definitions as set forth in the 2000 revision of the ILO classification, plus (a) TLC less than 65% and FEV1/FVC ratio greater than 65%;
2. Six months WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP;
3. For claimants whose WRG Grace exposure is not described in Section 5.7(b)(3)(ii) of the TDP, Significant Occupational Exposure to asbestos; and
4. Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question.

Level III: Asbestosis/Pleural Disease

1. Diagnosis of Bilateral Asbestos-Related Nonmalignant Disease, plus (a) TLC less than 80%, or (b) FVC less than 80% and FEV1/FVC ratio greater than or equal to 65%;
2. Six months WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP;
3. For claimants whose WRG Grace exposure is not described in Section 5.7(b)(3)(ii) of the TDP, Significant Occupational Exposure to asbestos; and
4. Supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question.

Level II: Asbestosis/Pleural Disease

1. Diagnosis of Bilateral Asbestos-Related Nonmalignant Disease;
2. Six months WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP; and
3. For claimants whose WRG Grace exposure is not described Section 5.7(b)(3)(ii) of the TDP, five years cumulative occupational exposure to asbestos.

Level I: Other Asbestos Disease (Cash Discount Payment)

1. Diagnosis of Bilateral Asbestos-Related Nonmalignant Disease or an asbestos-related malignancy other than mesothelioma or Lung Cancer 2; and
2. WRG Exposure prior to December 31, 1982, or prior to the Effective Date (February 3, 2014) if the exposure qualifies under Section 5.7(b)(3)(ii) of the TDP.

Medical Evidence Required to Establish an Asbestos-Related Disease:

All diagnoses of a Disease Level shall be accompanied by either:

- i. A statement by the physician providing the diagnosis that at least ten 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-year latency period.

A finding by a physician after the Effective Date (February 3, 2014) that a claimant's disease is "consistent with" or "compatible with" asbestosis shall not alone be treated by the Trust as a diagnosis.

For Disease Levels I-IV– Diagnoses of nonmalignant asbestos-related disease (Disease Levels I-IV) shall be based upon a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease or by a pathology report.

In the case of a claimant who was deceased at the time the claim was filed, all diagnoses of a nonmalignant asbestos-related disease (Levels I-IV) shall be based upon either:

A physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease; or

Pathological evidence of the asbestos-related disease; or

In the case of Disease Levels I-III, evidence of Bilateral Asbestos-Related Nonmalignant Disease and for Disease Level IV, either an ILO reading of 2/1 or greater or pathological evidence of asbestosis.

For either Disease Level III or IV, pulmonary function testing.

For Disease Levels V-VIII – All diagnoses of asbestos-related malignant disease shall be based upon either (1) a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease, or (2) a diagnosis of such malignant Disease Level by a board-certified pathologist.

For a detailed description of the medical evidence requirements by Disease Level see TDP Section 5.7(a). You should review this section of the TDP before filing a claim.

Doctors and Medical Facilities:

Section 5.7(a)(2) of the TDP requires that before making any payment the Trust must have reasonable confidence that the medical evidence provided in support of the claim is credible and consistent with recognized medical standards. The Trust has determined, based on currently available information, that medical reports from certain doctors and medical facilities will not be accepted. *Accordingly, until further notice, the Trust will not accept medical reports from and will not process claims relying upon medical information from the following doctors and medical facilities: Dr. Gregory Nayden, Dr. James Ballard, Dr. Kevin Cooper (of Pascagoula, Mississippi), Dr. Todd Coulter, Dr. Andrew Harron, Dr. Ray Harron, Dr. Glynn Hilbun, Dr. Barry Levy, Dr. George Martindale, Dr. W. Allen Oaks, Netherland & Mason, Inc., Respiratory Testing Services, Inc. and Occupational Diagnostics.*

Exposure Criteria for WRG Qualification:

Site/Plant Where Exposure Occurred

Questions 1 through 4 in Part 3 of the claim form ask about the sites where the claimant was exposed to asbestos products. In response to these questions, a claimant must list the sites where he/she was exposed to asbestos products to prove both (1) exposure to WRG asbestos products, and (2) SOE, if applicable.

There are two ways to demonstrate that WRG asbestos products were at a work site:

1. The claimant worked at a site which is listed on the approved WRG site list, found on the website at wrgraceasbestostrust.com; or
2. The claimant can establish, through affidavit, invoices, deposition testimony, or other means as described below in the section "Documentation to Support Exposure" that WRG's asbestos products were used at a particular work site. A certification of counsel alone is not sufficient to establish WRG product at a particular site.

Exposure to WRG Products - *To qualify for any Disease Level, a claimant must demonstrate:* (i) meaningful and credible exposure, which occurred prior to December 31, 1982 to (a) any products or materials containing asbestos that were manufactured, sold, supplied, produced, specified, selected, distributed or in any way marketed by W. R. Grace and/or any of the Debtors (collectively "Grace") (or any past or present Grace Affiliate, or any of the predecessors of Grace or any of their past or present Affiliates, or any other Entity for whose products or operations Grace allegedly has liability or is otherwise liable) or (b) asbestos-containing winchite asbestos or asbestos-containing vermiculite mined, milled or processed by Grace (or any past or present Grace Affiliate, or any of the predecessors of Grace or any of their past or present Affiliates, or any other Entity for whose products or operations Grace allegedly has liability or is otherwise liable) or (ii) meaningful and credible exposure which occurred prior to the Effective Date (February 3, 2014) to (a) asbestos, asbestos-containing winchite asbestos or unexpanded asbestos-containing vermiculite ore in Lincoln County, Montana or (b) asbestos, asbestos-containing winchite asbestos or asbestos-containing vermiculite ore from Lincoln County, Montana during transport or use prior to the completion of a finished product at an expansion plant.

Claimant Exposure to WRG Asbestos Products:

Question 7 in Part 3 relates to the evidence that is necessary to demonstrate exposure to WRG asbestos products. All claimants must answer question 7(a), unless the site is being offered only for the purpose of demonstrating SOE. All claimants must answer 7(b) if the claimant's industry/occupation pairing is not on the SOE Occupations Rating List.

Where instructed to answer question 7(b), the claimant must state how the injured

party was exposed to the type of WRG asbestos products or activities. It is necessary that the description provides detail on how the claimant interacted with the WRG asbestos product. The WRG product description must include the type of WRG asbestos products but does not require the specific brand name of the WRG product.

If you are required to answer question 7(b) and this information is already set forth in the documents submitted, it is suggested that you reference the applicable document (by document number or document name) in question 7(b).

If Claimant is alleging exposure to (a) asbestos, asbestos-containing winchite asbestos or unexpanded asbestos-containing vermiculite ore in Lincoln County, Montana or (b) asbestos, asbestos-containing winchite asbestos or asbestos-containing vermiculite ore from Lincoln County, Montana during transport or use prior to the completion of a finished product at an expansion plant, provide a description of the injured party's exposure to asbestos, asbestos-containing winchite asbestos or unexpanded asbestos-containing vermiculite ore in Lincoln County, Montana. For exposures within Lincoln County, please provide the location(s) of exposure (example, home or business address) and state the relevant time period for each location. For transport or use exposures, please provide the exposure site and a description of the injured party's exposure including occupation, if relevant.

Significant Occupational Exposure (“SOE”)

Questions 5 and 6 relate to SOE. Pursuant to TDP Section 5.7(b)(2), SOE means employment for a cumulative period of at least five years with a minimum of two 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).

If a claimant worked in an occupation/industry pairing listed on the SOE Occupations Rating list, found on the website at wrgraceasbestostrust.com for at least five years with a minimum of two years prior to December 31, 1982, and if any box other than “None of the above” is checked in POC Part 3 question 5, no further evidence of SOE is required. If the claimant's occupation/industry pairing is not set forth on the SOE Occupations Rating list, or if the box labeled “None of the above” is checked in POC question 5, then evidence of the claimant's SOE must be submitted. Evidence of SOE can be demonstrated by certification of counsel or as set forth below under “Documentation to Support Exposure.”

It is only necessary for a claimant to demonstrate SOE to qualify for Disease Levels III, IV-A, IV-B, V and VII, however, if the claimant is alleging WRG Grace exposure described in TDP Section 5.7(b)(3)(ii), it is not necessary to demonstrate SOE.

Documentation to Support Exposure

Where a claimant must demonstrate that WRG asbestos products were at a site/plant, or where a claimant seeks to demonstrate SOE or company exposure other than by certification of counsel, such evidence may be established by:

- An affidavit of the injured party
- An affidavit of a co-worker
- Invoices
- Construction or similar records
- Sworn statement, interrogatory answers, sworn work history, or deposition/trial testimony
- Other credible evidence (this may include documents uploaded to the claim form to further explain exposure information as indicated on the claim form)

Litigation/Claims History:

In Section 5, for all claims, Question 1 and 1(a) must be answered. If Question 1 is answered “yes”, but 1(a) is answered no for WRG, then you must answer Question 5.3 indicating where you would have sued WRG. When answering Question 5.3, you must select jurisdiction based on one of the following:

1. State where the claimant was exposed to the WRG asbestos product;
2. State where the claimant lived when he filed his claim with the Trust; or
3. State where the claimant lived when he was diagnosed.

Where to Submit Claim Forms:

Electronic claim submissions, including document images, can be filed directly through the Trust Online system. There is no need to submit paper claims for Trust Online submissions.

However, if paper claims and documents need to be sent to the Trust, they should be addressed to:

The WRG Asbestos PI Trust
P.O. Box 1390
Wilmington, Delaware 19899-1390

Questions and Assistance:

If you have questions concerning the claim filing procedures, instructions or forms, you may reach the DCPF in a variety of ways. For assistance with the bulk upload tool, converting and linking claims or web services, please contact the DCPF websupport at (866)665-5790 or email websupport at websupport@wrgraceasbestostrust.com. In addition, the websupport department can provide web-based training for all Trust Online users. A detailed user manual is also available on the Trusts' website at wrgraceasbestostrust.com.

For assistance with specific claim form questions, the status of your claims, or how to resolve a claim deficiency, please contact the Claimant Relations department at (800)708-8925 or by email at claimantrelations@delcpf.com. In addition to these resources, the Claimant Relations department offers in-person training sessions at either our Wilmington claims processing facility or at your firm. If you or your staff is interested in participating in a training session, please contact our law firm coordinator at claimantrelations@delcpf.com or at (800)708-8925.

Sincerely,

WRG Asbestos PI Trust Trustees