

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release is made as of the Execution Date by all of the Parties: ACE Fire Underwriters Insurance Company; ACE Property & Casualty Insurance Company; Motorists Commercial Mutual Insurance Company; American States Insurance Company; and Nancy Gibson, as Receiver for Robinson Insulation Company.¹

RECITALS

A. Robinson has been sued in numerous Asbestos Claims, including in the AC Court, and may be subject to additional such Asbestos Claims in the future.

B. Grogan was sued in the Hartle Claims, which was an Asbestos Claim, and may be subject to additional such Asbestos Claims in the future.

C. Both Robinson and Grogan are dissolved corporations. Robinson is the subject of receivership proceedings in the AC Court.

D. Each of the Insurers issued or is alleged to have issued to Robinson and/or Grogan the respective Policies identified on Exhibits A, B, and C to this Agreement. The Receiver alleges that each of the Policies provides coverage for Asbestos Claims. The Insurers have conducted a diligent search for additional liability policies issued or allegedly issued by each of them or their affiliates to Robinson and/or Grogan that might provide coverage for Asbestos Claims, but have not located policies other than those identified in Exhibits A, B, and C.

E. A dispute exists between the Receiver and Motorists regarding the existence, terms, and/or conditions of some of the Policies listed on Exhibit C, as noted on Exhibit C.

F. The Receiver tendered the Asbestos Claims and the Hartle Claims to the Insurers. The Insurers settled the Hartle Claims pursuant to a settlement agreement approved by the AC Court on April 20, 2020.

G. Each Insurer has agreed to defend Robinson against the Asbestos Claims, subject to reservations of rights.

H. ACE Fire and ACE P&C filed the Coverage Case against the Receiver, American States, and Motorists on November 12, 2019. Each of the defendants filed counterclaims against ACE Fire and ACE P&C and cross-claims against one another. The Coverage Case remains pending.

I. The Parties desire to avoid future disputes concerning the existence and scope of each Insurer's obligation, if any, to provide coverage under the Policies for current and future Claims, including Asbestos Claims, and regarding allocation and payment of Asbestos Claims.

¹ All capitalized terms, wherever they appear in this Agreement or in any attachments hereto (including the prefatory paragraph, the recitals, and in the Sections below) have the meanings ascribed to them in Section 1.

J. By this Agreement, therefore, the Parties by way of compromise and release (i) except as set forth herein, without prejudice to or waiver of their respective positions in matters with persons or entities who are not Parties, (ii) except as set forth herein, without further adjudication of any issues of fact or law, and (iii) without any admission of liability or responsibility, enter into this full and final settlement that releases all rights, obligations, and liabilities of the Insurers under the Policies pursuant to the terms and conditions set forth in this Agreement.

K. This Agreement is entered into by the Parties in good faith and as the result of (i) an exchange of historical claims data and other information and (ii) arm's-length negotiations among the Parties.

L. These recitals are incorporated in full into the Agreement.

AGREEMENT

1. Definitions.

The following definitions apply to this Agreement and any attachments hereto. They do not apply to any other agreement, including any policy of insurance, nor are they to be used as evidence, except with respect to this Agreement. Each defined term stated in a singular form includes the plural form, each defined term stated in plural form includes the singular form, and each defined term stated in the masculine, feminine, or neuter form includes each of the masculine, feminine, and neuter forms. The word "including" means "including but not limited to."

- 1.1 "AC Court" means the Asbestos Claims Court of the State of Montana, including in its supervisory role over the Receiver.
- 1.2 "ACE Fire" means ACE Fire Underwriters Insurance Company, formerly known as CIGNA Fire Underwriters Insurance Company, formerly known as Aetna Fire Underwriters Insurance Company.
- 1.3 "ACE P&C" means ACE Property & Casualty Insurance Company, formerly known as CIGNA Property and Casualty Insurance Company, formerly known as Aetna Insurance Company, (1) in its own capacity and right and (2) as assuming reinsurer for Oakwood Insurance Company, successor by merger to Central National Insurance Company of Omaha, but only with respect to those policies issued through Cravens, Dargan & Company, Pacific Coast.
- 1.4 "Agreement" means this Settlement Agreement and Release.
- 1.5 "Amended Receivership Order" means Order Granting Receiver Litigation and Settlement Authority (Robinson Insulation Company) entered on or about January 23, 2020 by the AC Court.
- 1.6 "American States" means American States Insurance Company.

- 1.7 “American States Settlement Amount” means the total sum of \$425,000.00, which amount is in addition to payments to resolve the Hartle Claims.
- 1.8 “ASI Releasees” means American States, those entities listed on Exhibit D hereto, and each of their direct and indirect parents, joint ventures, subsidiaries, affiliates, officers, directors, employees, agents, representatives, members, and attorneys (including each of their respective predecessors, successors, assigns, heirs, administrators, or executors), all in their capacities as such and as they exist on the Execution Date.
- 1.9 “Asbestos Claim” means any and all Claims against Robinson or Grogan for bodily injury, personal injury, property damage, damages, wrongful death, or other harm relating in whole or in part, in fact or by allegation, to the presence of, or exposure to, directly or indirectly and in any manner, asbestos or asbestos-containing materials or products, either alone or in combination with any other substance, that were alleged to have been manufactured, installed, removed, fabricated, purchased, sold, supplied, transported, labeled, produced, designed, disturbed, released, used, or in any way at any time held, handled, distributed, installed, marketed, or disposed of by Robinson or Grogan, or for which Robinson or Grogan is otherwise alleged to be responsible.
- 1.10 “Asbestos Claimant” means any person, in any capacity, asserting an Asbestos Claim.
- 1.11 “Coverage Case” means the declaratory judgment action pending in the U.S. District Court for the District of Montana captioned *ACE Fire Underwriters Co., et al. v. Nancy Gibson, as Receiver for Robinson Insul. Co., et al.*, Case No. 9:19-cv-00181-DLC-KLD.
- 1.12 “Chubb” means, collectively, (a) ACE Fire, (b) ACE P&C, and (c) Oakwood Insurance Company as successor by merger to Central National Insurance Company of Omaha, but only with respect to those policies issued through Cravens, Dargan & Company, Pacific Coast.
- 1.13 “Chubb Releasees” means ACE Fire, ACE P&C, those entities listed on Exhibit E hereto, and each of their direct and indirect parents, joint ventures, subsidiaries, affiliates, officers, directors, employees, agents, representatives, members, and attorneys (including each of their respective predecessors, successors, assigns, heirs, administrators, or executors), all in their capacities as such and as they exist on the Execution Date.
- 1.14 “Chubb Settlement Amount” means the total sum of \$5,000,000.00, which amount is in addition to payments to resolve the Hartle Claims.
- 1.15 “Claim” means any claim, assertion of right, complaint, cross-complaint, counterclaim, affirmative defense, writ, demand, inquiry, request, directive, obligation, suit, lawsuit, action, cause of action, administrative proceeding,

governmental claim or action, order, judgment, settlement, mediation, arbitration, lien, and any other assertion of liability of any kind, whether past, present, or future, known or unknown, asserted or unasserted, foreseen or unforeseen, fixed or contingent, direct or indirect, matured or unmatured, liquidated or unliquidated, direct or consequential, and whether in law, equity, admiralty, or otherwise. Without limiting the foregoing, Claim includes any matter that would, absent this Agreement, be covered by one or more of the Policies. For the avoidance of doubt, “Claim” does not include the Hartle Claims.

- 1.16 “Contribution Claim” means any Claim by any insurer of Robinson or Grogan (or guaranty corporation or liquidator authorized to pay claims on behalf, or in lieu, of an insurer of Robinson or Grogan) against any of the Insurers seeking contribution, equitable contribution, indemnity, equitable indemnity, subrogation, equitable subrogation, or recovery pursuant to any other theory under law or in equity, arising out of or relating to the payment or defense by such insurer of all or any part of any Claim against Robinson or Grogan, including without limitation any Asbestos Claim.
- 1.17 “Execution Date” means the last date upon which this Agreement was signed by all of the Parties, as evidenced by the last date on the signature pages hereto. If a signature is not dated by one of the Parties, then the date that Party transmitted the document to the other Parties will be deemed the date of signature for purposes of determining the Execution Date.
- 1.18 “Final Order” means any judgment or order (a) as to which the time to appeal, petition for certiorari, or move for re-argument or rehearing has expired, and as to which no appeal, petition for certiorari, or other proceedings for re-argument or rehearing will then be pending, or as to which any right to appeal, petition for certiorari, or request re-argument or rehearing will have been waived in writing, in form and substance satisfactory to the Parties, or (b) in the event that an appeal, writ of certiorari, or request for re-argument or rehearing thereof has been sought, such order or judgment will have been determined by the highest court to which such order was appealed, or certiorari, re-argument, or rehearing will have been denied, and the time to take any further appeal, petition for certiorari, or move for re-argument or rehearing will have expired.
- 1.19 “Grogan” means Grogan Robinson Lumber Company, a dissolved corporation.
- 1.20 “Grogan Entities” means (a) Grogan and its employees, agents or officers, (b) each of its present and future, direct and indirect, parents, joint venture, subsidiaries, partners, and affiliates, solely in their capacities as such, (c) each of its past, direct and indirect, parents, joint ventures, subsidiaries, partners, and affiliates, but only if a person or entity described in (a) or (b) above has the power or authority to act on such entity’s or person’s behalf, (d) any person or entity asserting entitlement to insurance, rights, or benefits under any of the Policies, including any insured, additional insured, named insured, additional named insured, or protected person,

but only if an entity or person described in (a) or (b) above has the power or authority to act on such entity or person's behalf, (e) the past, present, and future trustees, administrators, officers, directors, employees, agents, representatives, members, principals, and attorneys of any of the foregoing, but only in their capacities as such, and (f) the predecessors, successors, assigns, heirs, administrators, or executors of any of the foregoing, but solely in their capacities as such.

- 1.21 "Hartle Claims" means all claims by Jeremiah Hartle and Karen Hartle, husband and wife, individually and on behalf of their minor children, that were released pursuant to the Confidential Release and Settlement Agreement among Jeremiah and Karen Hartle, individually and on behalf of their minor children, and the Receiver, effective on or about March 6, 2020, which Confidential Release and Settlement Agreement was approved by the AC Court on April 20, 2020 pursuant to the Order Approving Settlement (Robinson Insulation Receivership).
- 1.22 "Injunctions" means the injunction and the bar order set forth in Sections 8.1 and 8.2 of this Agreement.
- 1.23 "Insurers" means, collectively, ACE Fire, ACE P&C, American States, and Motorists.
- 1.24 "Insurer's Settlement Share" means each Insurer's share as specified in the definitions of American States Settlement Amount, Chubb Settlement Amount, and Motorists Settlement Amount.
- 1.25 "Insurer Parties" means, collectively, the ASI Releasees, the Chubb Releasees, and the Motorists Releasees.
- 1.26 "Motorists" means Motorists Commercial Mutual Insurance Company.
- 1.27 "Motorists Releasees" means Motorists, those entities listed on Exhibit F hereto, and each of their direct and indirect parents, joint ventures, subsidiaries, affiliates, officers, directors, employees, agents, representatives, members, and attorneys (including each of their respective predecessors, successors, assigns, heirs, administrators, or executors), all in their capacities as such and as they exist on the Execution Date.
- 1.28 "Motorists Settlement Amount" means the total sum of \$6.2 million, which amount is in addition to payments to resolve the Hartle Claims.
- 1.29 "Parties" means each of the Insurers and the Receiver, collectively. "Party" means each Insurer and the Receiver, individually.
- 1.30 "Policies" means all policies of liability insurance, including the respective Policies identified in Exhibits A, B, and C to this Agreement, whether known or unknown, whether issued or allegedly issued, whether primary, umbrella, excess, or otherwise,

issued or allegedly issued prior to the Execution Date by any entity with the definition of Insurer Parties: (a) to any entity or person within the definition of Robinson or Grogan; or (b) under which any entity or person within the definition of Robinson Entities or Grogan Entities, or any of their respective successors or assigns, contends that Robinson, Grogan, or the Receiver are entitled to insurance, rights, benefits, or otherwise; *provided*, however, that (x) any policy of insurance issued to any entity that is not a Robinson Entity or a Grogan Entity is a Policy only to the extent of coverage for the Robinson Entities or Grogan Entities, and (y) any policy of insurance issued to the Receiver is a Policy solely to the extent of coverage for Asbestos Claims and any other Claims arising from the operations, products, or activities of Robinson or Grogan.

- 1.31 “QSF” means a Qualified Settlement Fund under section 468B of the Internal Revenue Code, to be established by the Receiver, subject to approval by the AC Court, pursuant to Paragraph 2(c) of the Receivership Order and decretal Paragraph 5 of the Amended Receivership Order.
- 1.32 “Receiver” means Nancy Gibson, Esq., as the court-appointed receiver for Robinson and not individually, during such time that she is authorized to act in such capacity by order of the AC Court. In the event that the AC Court appoints a successor receiver, “Receiver” shall include such successor receiver during such time as he or she is acting in such capacity.
- 1.33 “Receivership Order” means the Order Creating Receivership for Robinson Insulation Company entered on or about March 23, 2018 by the AC Court.
- 1.34 “Robinson” means Robinson Insulation Company, a dissolved corporation.
- 1.35 “Robinson Entities” means (a) Robinson and its employees, agents, or officers, (b) each of its present and future, direct and indirect, parents, joint ventures, subsidiaries, partners, and affiliates, solely in their capacities as such, (c) each of its past, direct and indirect, parents, joint ventures, subsidiaries, partners, and affiliates, but only if a person or entity described in (a) or (b) above has the power or authority to act on such entity’s or person’s behalf, (d) any person or entity asserting entitlement to insurance, rights, or benefits under any of the Policies, including any insured, additional insured, named insured, additional named insured, or protected person, but only if an entity or person described in (a) or (b) above has the power or authority to act on such entity or person’s behalf, (e) the past, present, and future trustees, administrators, officers, directors, employees, agents, representatives, members, principals, and attorneys of any of the foregoing, but only in their capacities as such, and (f) the predecessors, successors, assigns, heirs, administrators, or executors of any of the foregoing, but solely in their capacities as such.
- 1.36 “Settlement Amount” means the total of the American States Settlement Amount, the Chubb Settlement Amount, and the Motorists Settlement Amount. Each

Insurer is severally and not jointly liable for the amounts described as that Insurer's Settlement Amount.

- 1.37 "Settlement Approval Motion" means a motion, to be filed by the Receiver in the AC Court, seeking approval of the Agreement, establishment of a QSF, and entry of the Injunctions.
- 1.38 "Settlement Approval Order" means a judgment and order entered by the Receivership Court granting the Settlement Approval Motion, approving the Agreement, establishing the QSF, and entering the Injunctions. The Settlement Approval Order shall be substantially in the form attached as Exhibit H hereto, and in all respects shall be subject to the approval of the Insurers, such approval not to be unreasonably withheld or delayed.
- 1.39 "Trust" means a trust, created pursuant to a trust agreement approved by the AC Court, into which the Settlement Amount held in the QSF will be deposited by the Receiver after the Trust Order has become a Final Order.
- 1.40 "Trust Order" means an order of the AC Court, on motion of the Receiver, approving establishment of the Trust. The Trust Order shall be in a form reasonably acceptable to all the Parties.
- 1.41 "Trustee" means the person appointed by the AC Court to serve as trustee of the Trust, including any successor trustees.

2. Settlement Approval Motion

- 2.1 Within fifteen business days after the Execution Date, the Receiver shall file the Settlement Approval Motion.
- 2.2 The Receiver shall provide notice of this Agreement and the Settlement Approval Motion and the deadline for the filing of any objections to the Settlement Approval Motion, and the terms of the proposed Settlement Approval Order, to all known Asbestos Claimants in a form and manner deemed reasonable by the Parties, the goal being to provide comprehensive notice to all Claimants and other persons who might reasonably be expected to be affected by this Agreement so that they have an opportunity to appear and be heard by the AC Court before the Settlement Approval Order is entered.
- 2.3 The Insurers may, at their own expense, cause notice of the Settlement Approval Motion, including the date, time, and place of the hearing on the Settlement Approval Motion and the deadline for the filing of any objections to the Settlement Approval Motion, to be published in *The Western News*, *Kalispell Daily Interlake*, *Sanders County Ledger*, *Missoulian*, *Great Falls Tribune*, *Helena Independent Record*, *Billings Gazette*, and/or *USA Today* no less than thirty days before the scheduled hearing.

3. Payments.

- 3.1 Each Insurer shall pay its respective Settlement Amount by not later than sixty days after satisfaction of all conditions precedent, including the conditions precedent set forth in Section 4.1 below. None of the Insurers shall be responsible for the payment of any other Insurer's Settlement Amount.
- 3.2 Each Insurer may pay its respective Settlement Amount by check(s) or wire transfer(s), pursuant to the instructions to be provided by the Receiver at least thirty days before payments of the Insurers' Settlement Amounts are due.
- 3.3 Each of the Insurers shall pay its respective Settlement Amount into the QSF. The Receiver or the Trustee, as the case may be, shall not distribute any funds from the QSF except as authorized by the AC Court.
- 3.4 The Receiver represents, warrants, and agrees that (a) each Insurer's respective Settlement Amount is the total amount that each Insurer will ever be obligated to pay under or arising out of the Policies to the Receiver, the Robinson Entities, the Grogan Entities, or any other person or entity and (b) the limits of the Policies shall be deemed and declared exhausted. Consistent with the provisions in Section 5 of this Agreement regarding releases, under no circumstances shall any of the Insurers ever be required to make any additional or further payments to any Asbestos Claimant under, or related to, Robinson, Grogan, the Receiver, or any other person or entity under the Policies. The Insurers are not obligated to pay any additional costs to any law firm in connection with legal services rendered to the Receiver or to reimburse the Receiver, Robinson, or Grogan, or any other person or entity at any time for the defense of Asbestos Claims, other than fees incurred by Gordon Rees Scully Mansukhani at the request of any of the Insurers in connection with the defense of Robinson or Grogan against Asbestos Claims or to carry out the terms of this Agreement and the Settlement Approval Order.
- 3.5 Each Party reserves to itself the right to allocate the respective Settlement Amounts to such claims or policies as it deems appropriate, and no Party shall be bound by the allocation of any other Party.

4. Conditions Precedent To Insurers' Obligation To Pay Their Respective Settlement Amounts.

- 4.1 This Agreement will not be effective, and the Insurers shall have no obligation to pay their respective Settlement Amounts, until each of the following conditions precedent have been satisfied:
 - 4.1.1 The Settlement Approval Order has been entered and has become a Final Order;
 - 4.1.2 The AC Court has entered an order placing Grogan Robinson in receivership and appointing Nancy Gibson as Receiver for Grogan;

- 4.1.3 Counsel at McGarvey, Heberling, Sullivan & Lacey and Odegard Kovacich Snipes who represent most, if not all, of the Asbestos Claimants must consent in writing to all of the terms of this Agreement.
- 4.2 If the AC Court, or any other court with jurisdiction, issues a Settlement Approval Order that does not contain all of the provisions described in Sections 8.1 and 8.2 below, this Agreement will, at the option of each Insurer, be voidable, except that the exercise of this option by any Insurer shall not render the Agreement void with respect to any other Insurer. If any Insurer elects to void this Agreement, the rights, claims, and defenses of all Parties with respect to such electing Insurer are fully preserved as they were immediately prior to the Execution Date.
5. Releases.
- 5.1 By the Receiver, of the ASI Releasees. Effective immediately upon payment of the American States Settlement Amount, and with no further action being required, the Receiver, on behalf of herself, Robinson, Grogan, and any other entities for whom the Receiver has the power to act, hereby fully, finally, and completely release, settle, and discharge American States and the other ASI Releasees from any and all liability and Claims, past, present, and future, asserted and unasserted, known or unknown, arising out of or relating to any Asbestos Claims, including (a) any obligation under the American States Policies, (b) Claims for bad faith, failure to act in good faith, interest, violation of any duty of good faith or fair dealing, violation of any unfair claims practices act or similar statute, regulation, or code, or any other similar type of alleged misconduct or omission, including all “*Ridley*” and “*Dubray*”-type medical and lost wages expense claims, and (c) any and all Claims which are, have been, or could have been asserted against American States in the Coverage Case.
- 5.2 By the Receiver, of the Chubb Releasees. Effective immediately upon payment of the Chubb Settlement Amount, and with no further action being required, the Receiver, on behalf of herself, Robinson, Grogan, and any other entities for whom the Receiver has the power to act, hereby fully, finally, and completely release, settle, and discharge ACE Fire, ACE P&C, Oakwood Insurance Company (successor by merger to Central National Insurance Company of Omaha, but only with respect to those policies issued through Cravens, Dargan & Company, Pacific Coast), and the other Chubb Releasees from any and all liability and Claims, past, present, and future, asserted and unasserted, known or unknown, arising out of or relating to any Asbestos Claims, including (a) any obligation under the Chubb Policies, (b) Claims for bad faith, failure to act in good faith, interest, violation of any duty of good faith or fair dealing, violation of any unfair claims practices act or similar statute, regulation, or code, or any other similar type of alleged misconduct or omission, including all “*Ridley*” and “*Dubray*”-type medical and lost wages expense claims, and (c) any and all Claims which are, have been, or could have been asserted against ACE Fire or ACE P&C in the Coverage Case.

- 5.3 By the Receiver, of the Motorists Releasees. Effective immediately upon payment of the Motorists Settlement Amount, and with no further action being required, the Receiver, on behalf of herself, Robinson, Grogan, and any other entities for whom the Receiver has the power to act, hereby fully, finally, and completely release, settle, and discharge Motorists and the other Motorists Releasees from any and all liability and Claims, past, present, and future, asserted and unasserted, known or unknown, arising out of or relating to any Asbestos Claims, including (a) any obligation under the Motorists Policies, (b) Claims for bad faith, failure to act in good faith, interest, violation of any duty of good faith or fair dealing, violation of any unfair claims practices act or similar statute, regulation, or code, or any other similar type of alleged misconduct or omission, including all “*Ridley*” and “*Dubray*”-type medical and lost wages expense claims, and (c) any and all Claims which are, have been, or could have been asserted against Motorists in the Coverage Case.
- 5.4 By Each Insurer, of the Receiver, the Robinson Entities, and the Grogan Entities. Effective immediately upon each Insurer’s payment of its respective Settlement Amount, and with no further action being required, such Insurer hereby fully, finally, and completely releases, settles, and discharges the Receiver, the Robinson Entities, and the Grogan Entities from any and all liability and Claims, past, present, and future, asserted and unasserted, known or unknown, arising out of or relating to (a) any Claims under the released Insurer’s Policies or any associated agreements to pay any chargebacks, deductibles, premiums, retrospective premiums, and/or self-insurance assessments for Released Matters, (b) any Claims for payment of defense costs, (c) Claims for bad faith, failure to act in good faith, interest, violation of any duty of good faith or fair dealing, violation of any unfair claims practices act or similar statute, regulation, or code, or any other similar type of alleged misconduct or omission, and (d) any and all Claims which are, have been, or could have been asserted against the Receiver in the Coverage Case.
- 5.5 By Each Insurer, of the other Insurers. Effective immediately upon each Insurer’s payment of its respective Settlement Amount, and with no further action being required, the other Insurers hereby fully, finally, and completely release, settle, and discharge the Insurer paying its respective Settlement Amount from any and all liability and Claims, past, present, and future, asserted and unasserted, known or unknown, arising out of or relating to (a) any obligation under the paying Insurer’s respective Policies, (b) Claims for bad faith, failure to act in good faith, interest, violation of any duty of good faith or fair dealing, violation of any unfair claims practices act or similar statute, regulation, or code, or any other similar type of alleged misconduct or omission, including all Contribution Claims and all “*Ridley*” and “*Dubray*”-type medical and lost wages expense claims, and (c) any and all Claims which are, have been, or could have been asserted against the paying Insurer in the Coverage Case. Notwithstanding the foregoing, nothing in this Agreement releases any claims by one Insurer against another Insurer in its role as reinsurer or retrocessionaires.

- 5.6 The Releases described in Sections 5.1 through 5.5 above shall not release the Parties' rights to enforce the terms of this Agreement following entry of the Settlement Approval Order by the AC Court, all of which rights shall be expressly reserved by the Parties.
- 5.7 Immediately upon payment by each Insurer of its respective Settlement Amount, and with no further action being required, such paying Insurer shall be deemed to have bought back all of its respective Policies free and clear of interests, which shall extinguish all obligations that such Insurer has, had, or ever could have to the Receiver, the Robinson Entities, the Grogan Entities, or any other person or entity for insurance coverage under its respective Policies.
- 5.8 Each Insurer agrees to not pursue any Contribution Claim against any other Insurer or against other insurers of Robinson or Grogan; *provided*, however, that (a) if an insurer other than one of the Insurers pursues such claims against any Insurer, that Insurer may defend against such claim and may also pursue against such insurer all Contribution Claims such Insurer has against the insurer pursuing such claims; and (b) each Insurer shall retain all rights to pursue reinsurance recoveries with respect to its payment of its respective Settlement Amount.
- 5.9 The Parties expressly represent and warrant that they are familiar with California Civil Code § 1542 and that the effect and import of that provision has been fully explained and that, after consultation with their attorneys, the Parties expressly waive the provisions of California Civil Code § 1542, and other state and federal statutes of similar effect. California Civil Code § 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

- 5.10 No portion of the Settlement Amount shall be disbursed to an Asbestos Claimant unless that Asbestos Claimant first executes and delivers to the Receiver (or the Trustee, if the Trust has been established), a written release of all Claims of such Asbestos Claimant arising under or related to the Policies against (a) the Insurer Parties and (b) the Receiver, the Trustee and the Trust, the Robinson Entities, and the Grogan Entities. The Receiver and the Insurers shall agree to the form of the release, or, in the absence of agreement, the release shall be in a form which wholly releases the Insurer Parties and is approved by the AC Court.
6. Cessation of Litigation in the AC Court.
- 6.1 Each Insurer agrees that, within five business days after being advised by the Receiver that the Settlement Approval Order has become a Final Order, it will (a) withdraw any and all motions, briefs, pleadings, and objections it has made in the

AC Court and any request for relief from or against the Receiver will be deemed withdrawn, and (b) not pursue any Claims against the Receiver in the AC Court or that are being released pursuant to this Agreement.

6.2 From the Execution Date until the date the Settlement Approval Order has become a Final Order, each Party shall file no new motions, briefs, pleadings, claims, objections, or other requests for relief against any other Party in the AC Court.

6.3 The Insurers and the Receiver shall bear their own fees and expenses in connection with any proceedings in the AC Court.

7. Cessation of Litigation in the Coverage Case.

7.1 The Parties agree that, within five business days after being advised by the Receiver that the Settlement Approval Order has become a Final Order, they will file in the Coverage Case a stipulation of dismissal with prejudice of all Claims (including the complaint, all counterclaims, and all cross-claims) that each Party has asserted against any other Party, with all Parties to bear their own fees and expenses. The stipulation shall be substantially in the form set forth as Exhibit G hereto.

7.2 From the Execution Date until the date the Settlement Approval Order has become a Final Order, the Parties agree that they shall file no new motions, briefs, pleadings, objections, or other requests for relief against each other in the Coverage Case and will provide open extensions of time for each other, as may be necessary to avoid unnecessary litigation expenses.

7.3 The Insurers and the Receiver shall bear their own fees and expenses in connection with any proceedings in the Coverage Case.

8. Injunction, Bar Order, Judgment Reduction, and Indemnification.

8.1 The Settlement Approval Order must include the entry of an injunction barring all Claims against the Insurers released by the Receiver pursuant to Sections 5.1, 5.2, and 5.3 of this Agreement. The injunction shall state, in substance, as follows: "Pursuant to the Court's inherent equitable authority, (a) all Persons who hold or assert, or may in the future hold or assert, any Claim against Robinson, Grogan, or the Receiver arising in connection with the activities covered by the Policies, or in connection with the activities of Robinson or Grogan giving rise to the Claims that have been made or that could be made under the Policies, and (b) all Persons who may claim to be an insured, additional insured, or otherwise entitled to any benefit under the Policies, are permanently stayed, barred, restrained, and enjoined from asserting any such Claim or right to entitlement, from commencing a proceeding, or taking any other action against ACE Fire Underwriters Insurance Company, ACE Property & Casualty Insurance Company, Oakwood Insurance Company (successor by merger to Central National Insurance Company of Omaha, but only with respect to those policies issued through Cravens, Dargan & Company, Pacific

Coast), Motorists Commercial Mutual Insurance Company, or American States Insurance Company (collectively, the 'Settling Insurers') or the persons and entities defined in the Agreement as 'Insurer Parties' for the purpose of obtaining any recovery or other relief from the Settling Insurers or the Insurer Parties based on, under, arising out of, related or attributable to, and/or in connection with the Policies."

- 8.2 The Settlement Approval Order must also include a contribution bar order stating, in substance, as follows: "All claims for contribution, allocation, subrogation, and equitable indemnity, or similar claims, against any of the Settling Insurers (collectively, 'Contribution Claims'), whether by parties appearing before the Asbestos Claims Court or not, are hereby BARRED pursuant to the Court's inherent equitable authority. All Contribution Claims against any of the Settling Insurers shall be channeled to the QSF established to hold the Settlement Amounts paid by the Settling Insurers or to any Trust to which the funds in the QSF are transferred following an order by this Court authorizing such transfer."
- 8.3 In the event that any other insurer of Robinson or Grogan or any other Person obtains a judicial determination or binding arbitration award that it is entitled to obtain a sum certain from any of the Insurers as a result of a Contribution Claim against any Insurer for the alleged share or equitable share of such Insurer for defense costs or indemnity costs relating to Claims against the Receiver, Robinson, or Grogan, the Receiver or the Trustee, as the case may be, shall voluntarily reduce such judgment(s) or Claim(s) against, or settlement with, such other insurer(s) or persons to the extent necessary to eliminate such Contribution Claims against the Insurer. To ensure that such a reduction is accomplished, each Insurer shall be entitled to assert this section as a complete defense to any action against it for any such portion of the judgment or Claim and shall be entitled to have the court or appropriate tribunal issue such orders as are necessary to effectuate the reduction to protect the Insurer from any liability for the judgment or Claim, the goal being to ensure that the Insurer does not pay anything more than its respective Settlement Amount with respect to matters encompassed within the releases set forth in Sections 5.1 through 5.3 of this Agreement.
- 8.4 The Receiver or the Trustee, as the case may be, will attempt to minimize the possibility of Contribution Claims being made against any of the Insurers by any person or entity with respect to insurance coverage for Claims against Robinson or Grogan by using reasonable best efforts to obtain from each other person or entity settling with the Receiver an agreement to waive or release any and all Contribution Claims it may have against the Insurers and not to otherwise proceed against the Insurers
- 8.5 The Receiver shall indemnify each of the Insurers against all Claims filed by other insurers, up to the amount of each Insurer's respective Settlement Amount, to the extent necessary given the judgment reduction provision set forth in Section 8.3 of this Agreement. The Receiver may use funds from the QSF for purposes of

fulfilling her indemnification obligations. The Receiver's indemnification obligations shall be assumed by the Trustee upon the establishment of the Trust, and the Trustee may use funds from the Trust for purposes of fulfilling such indemnification obligations.

- 8.6 The Receiver or the Trustee, as the case may be, shall cooperate with the Insurers in any litigation against the Insurers asserting any Contribution Claims with respect to any liability under the Policies that is released under this Agreement. Without limiting the foregoing, the Receiver or the Trustee, as the case may be, shall support arguments made by the Insurers that their obligations with respect to such claims have been fully released, satisfied, and extinguished by this settlement.

9. Confidentiality

- 9.1 The Parties may notify the AC Court of the fact of their settlement-in-principle, but shall otherwise maintain the terms of their settlement-in-principle as strictly confidential with respect to third parties until such time as the Receiver files the Settlement Approval Motion. The Parties agree that the Receiver may file this Agreement in the public record with the AC Court in connection with the Settlement Approval Motion.
- 9.2 Nothing herein shall limit the Insurers' right, prior to or after filing of the Settlement Approval Motion, to fully and completely advise their reinsurers and retrocessionaires as to all matters related to the settlement-in-principle, including but not limited to the terms and conditions of this Agreement and any related documents.
- 9.3 Notwithstanding any other provision in this Agreement, the Parties agree that this Agreement and any related documents, may be disclosed to counsel at McGarvey, Heberling, Sullivan & Lacey and Odegard Kovacich Snipes who represent most, if not all, of the Asbestos Claimants, for purposes of seeking and obtaining their consent, provided that prior to any such disclosure, such Asbestos Claimants' counsel agree in writing to maintain any information relating to the settlement-in-principle as strictly confidential.

10. Bankruptcy

- 10.1 In the event that Robinson and/or Grogan becomes the subject of any proceedings pursuant to the United States Bankruptcy Code (a "Restructuring Filing") before all of the Insurers have paid their Settlement Amounts, the Parties agree and acknowledge that:
- 10.1.1 This Agreement, having been negotiated at arm's length in settlement of bona fide disputes and supported by adequate consideration, is not a preference under section 547 of the Bankruptcy Code, a fraudulent conveyance under sections 546 or 548 of the Bankruptcy Code, or

avoidable under any other applicable federal bankruptcy or non-bankruptcy law.

10.1.2 The Parties will cooperate to preserve the validity, finality, and enforceability of this Agreement. The Receiver, the Trustee, Robinson, and Grogan shall use their respective best efforts to oppose any and all efforts to challenge this Agreement under any provision of the Bankruptcy Code or state law.

10.1.3 In any Restructuring Filing where the Receiver, the Trustee, Robinson, or Grogan seeks to discharge Asbestos Claims, the Receiver, the Trustee, Robinson, and/or Grogan shall request and use their best efforts to obtain, from the Bankruptcy Court and/or the District Court, a permanent injunction pursuant to 11 U.S.C. §§ 524(g) and/or 105(a) that enjoins all persons from commencing or continuing any action, proceeding or Claim, including any Asbestos Claim, against the Insurers, directly or indirectly, to collect, recover, or receive payments, satisfaction, or recovery of any kind under, relating to, or arising out of Asbestos Claims and/or the Policies.

10.1.4 The releases contained herein are fully effective according to their terms and this Agreement is not an executory contract.

11. Assignment and Authority.

11.1 The Receiver and the Insurers each separately represent and warrant that they have not waived, released, assigned, or transferred any right, title, or interest in the Policies.

11.2 Each Party represents and warrants that the individual executing this Agreement on its behalf has the authority to do so and to bind that Party to the obligations set forth herein. Each Party represents and warrants that it has authority to execute this Agreement as its binding and legal obligation. Each Party represents and warrants that it has read this Agreement in full and that the person signing this Agreement on its behalf is authorized by those they purport to represent to execute this Agreement and to bind that Party to the obligations set forth in this Agreement in full.

12. Non-Prejudice and Construction of Agreement.

12.1 This Agreement is a negotiated compromise of disputed issues among the Parties, bargained for and entered into in good faith and as the result of arm's-length negotiations, and at all times material the Parties have been represented by counsel of their own choosing concerning the rights affected by this Agreement, the form and content of it, and the advisability of executing it. This Agreement shall not be construed as an admission relating to or in any way connected with the Policies or the Claims or defenses asserted in the Coverage Case, nor shall this Agreement or any provision hereof be construed as a waiver, modification, or retraction of the

positions of the Parties with respect to the interpretation and application of the Policies. No communications or statements made during the negotiations of this Agreement shall be discoverable or admissible in any dispute between the Parties to enforce the terms of the Agreement.

12.2 This Agreement is the product of informed negotiations and involves compromises of the Parties' previously stated legal positions. Accordingly, this Agreement does not reflect the Parties' views as to their rights and obligations with respect to matters or entities outside the scope of this Agreement. The Parties specifically disavow any intention to create rights in third parties under or in relation to this Agreement except as expressly set forth herein.

12.3 The Parties have participated jointly in the negotiation, drafting, and preparation of this Agreement, and agree that, in the event an ambiguity or question of intent or interpretation arises related to this Agreement, this Agreement shall be construed as if drafted jointly by the Parties hereto. Accordingly, no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement or by virtue of any Party's status as an insurance company.

12.4 Subject to Section 4.2 of this Agreement, in the event that any portion of this Agreement should for any reason become or be found by a court or other tribunal to be null, void, illegal, invalid, or otherwise unenforceable, the remaining portions of this Agreement shall remain in full force and effect and continue to be binding on the Parties provided that each Party continues to receive substantially the benefit of its bargain hereunder

12.5 This Agreement is not, nor shall it be construed as, an insurance policy.

13. Governing Law.

13.1 This Agreement shall be governed by and shall be construed in accordance with the law of the State of Montana without regard to its conflict of law principles.

14. Notices.

14.1 Unless another person is designated, in writing, for receipt of notices hereunder, all notices to the respective Parties shall be sent to the following persons:

American States:

Terri Yahia
Assistant Vice President and Associate General Counsel
Resolute Management Inc.
125 High Street, 10th Floor
Boston, Massachusetts 02110
tyahia@resolutemgmt.com

with a copy to:

Michael J. Cohen, Esq.
Meissner Tierney Fisher & Nichols S.C.
111 East Kilbourn Avenue, 19th Floor
Milwaukee, Wisconsin 53202
E-mail: mjc@mtfn.com

Chubb:

Tamika Jones
Assistant Vice President – Claims
Brandywine Group of Insurance & Reinsurance
Companies
510 Walnut Street – WB11E
Philadelphia, PA 19106
E-mail: tamika.jones@brandywineholdings.com

with a copy to:

Mark D. Plevin
Crowell & Moring LLP
Three Embarcadero Center, 26th Floor
San Francisco, CA 94111
E-mail: mplevin@crowell.com

Motorists:

H. Toney Stroud, Esq.
Encova Insurance
P.O. Box 3922
Charleston, West Virginia 25339
E-mail: toney.stroud@encova.com

with a copy to:

Marc Weintraub, Esq.
Bailey & Glasser LLP
360 Central Avenue
Suite 1500
St. Petersburg, Florida 33701
E-mail: mweintraub@baileyglasser.com

Receiver:

Nancy Gibson, Esq.
Gibson Law Offices PLLC
4110 Weeping Willow Drive
Missoula, Montana 59803

with a copy to:

Allan McGarvey, Esq.
McGarvey Heberling Sullivan & Lacey
345 First Avenue East
Kalispell, Montana 59901
E-mail: amcgarvey@mcgarveylaw.com

14.2 Any Party may change the address at which communications are to be delivered to

it by giving notice to the others, in the manner provided in this Section 14.

15. Medicare and Other Third-Party Claims.

- 15.1 The Parties agree that, given the buy-back nature of this settlement, to the extent any obligation under 42 USC § 1395y, *et seq.*, commonly referred to as the Medicare, Medicaid, and SCHIP Extension Act of 2007, or any other similar statute or regulation, and any related rules, regulations, or guidance issued in connection therewith or relating thereto (including 42 CFR §§ 411, *et seq.*), with respect to any Asbestos Claims (collectively, the “MSP”) is triggered in connection with the Settlement Amount, the Receiver agrees that she is the Responsible Reporting Entity (“RRE”).
- 15.1.1 The Parties agree that all duties and obligations of the Receiver under Section 15 of this Agreement may be assigned to and assumed by the Trustee pursuant to the Trust Order after (a) the Trust Order has become a Final Order, (b) the Trustee has agreed in a writing sent to all Parties that he or she will assume all duties, obligations, and agreements of the Receiver under Section 15 of this Agreement, and (c) the Settlement Amount has been transferred by the Receiver from the QSF to the Trust.
- 15.2 The Parties further agree that the Insurers are not subject to any reporting requirements or obligations under the MSP. The Parties nevertheless agree to the reporting provisions set forth in Sections 15.3 through 15.12 of this Agreement to ensure full compliance with the MSP.
- 15.3 The Receiver and/or the Trust, as the case may be, is the RRE and shall assume the obligations of an RRE for all Claims paid with the proceeds of the Settlement Amount.
- 15.4 The RRE shall, at its sole expense, timely submit all reports that are required by a Responsible Reporting Entity under the reporting provisions of Section III of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (P.L. 110-173) or any other similar statute or regulation (“MMSEA”) on account of Asbestos Claims paid by the RRE. The RRE or its RRE Agent shall follow all applicable guidance published by the Centers for Medicare & Medicaid Services of the United States Department of Health and Human Services and/or any other agent or successor entity charged with responsibility for monitoring, assessing or receiving reports under MMSEA (collectively, “CMS”) to determine whether or not and, if so, how to report to CMS pursuant to MMSEA.
- 15.5 The RRE Agent shall provide a written notification to the Insurers within ten business days following receipt of any notification from CMS that any report by the RRE was rejected or otherwise identified as noncompliant by CMS, along with the basis for such rejection or noncompliance.

- 15.5.1 With respect to any reports rejected or otherwise identified as noncompliant by CMS, the RRE Agent shall, at the request of any of the Insurers, promptly provide copies of the original reports submitted to CMS, as well as any response received from CMS with respect to such reports. The RRE Agent shall reasonably undertake to remedy any issues of noncompliance that CMS identifies and to resubmit such reports to CMS. Upon request by any of the Insurers, the RRE Agent shall provide the Insurers with copies of such resubmissions. With respect to copies of original reports and resubmissions provided under this Section 15.5.1, the RRE Agent may redact from such copies the names, social security numbers other than the last four digits, health insurance claim numbers, taxpayer identification numbers, employer identification numbers, mailing addresses, telephone numbers, and dates of birth of the injured parties, claimants, guardians, conservators, and/or other personal representatives, as applicable.
- 15.5.2. All documentation that the RRE Agent relies upon in making a determination that a payment does not have to be reported to CMS shall be maintained for a minimum of six years following such determination.
- 15.6 The Receiver and/or the Trustee, as the case may be, is not required by this Agreement to make report any that is not required by MMSEA.
- 15.7 The Parties recognize that, upon the completion of her responsibilities, the AC Court may discharge the Receiver from any further obligations with respect to Robinson or Grogan. Likewise, the Parties recognize that once the Trust's purposes are completed, or upon the appointment of a successor trustee, the AC Court may discharge the Trustee from any further obligations with respect to the Trust. Nothing in this Agreement will impose any duty on any individual, including Nancy Gibson, in any individual capacity or constitute a basis to extend Ms. Gibson's role as Receiver. To ensure the preservation of any information that the Insurers may need in the event CMS concludes that reporting done by the RRE in accordance with the above provisions within this Section 15 is or may be deficient in any way, and has not been corrected to the satisfaction of CMS in a timely manner, or if CMS communicates to the RRE or the Insurers a concern with respect to the sufficiency or timeliness of such reporting or non-reporting, to satisfy any reporting obligation under any MSP, within thirty calendar days after the Execution Date, any of the Insurers shall provide to the Receiver a list of the information that such Insurer designates as likely to be necessary for that Insurer to respond to any notice by CMS that the RRE's reporting was deficient. Subject to AC Court approval, the Receiver and/or the Trustee, as the case may be, shall collect that information from Asbestos Claimants as part of any claim submission procedures. Following the end of the Trustee's responsibilities, the Insurers, at their own expense, shall be entitled to maintain and access this information exclusively to address any claim of non-compliance by the RRE or the RRE Agent with MSP reporting obligations, subject to appropriate confidentiality standards

approved by the AC Court. At the Insurers' reasonable request, the Receiver and/or the Trustee, as the case may be, will meet and confer with the Insurers prior to terminating her duties to ensure a transition of any information per this paragraph.

- 15.8 The RRE and/or any RRE Agent shall indemnify and hold the Insurers harmless from any and all fines, penalties, claims, demands, liens, subrogated interests, and causes of action of any nature or character that may in the future be asserted by Medicare and/or persons or entities acting on behalf of Medicare in respect of Medicare claims reporting and payment obligations in connection with the Asbestos Claims, including any obligations owing or potentially owing under MMSEA or 42 U.S.C. § 1395y(b) or any related rules, regulations, or guidance issued in connection therewith, or relating thereto, and any claims arising from or related to the RRE Agent's obligations under this Section 15.
- 15.9 The Receiver and/or the Trustee, as the case may be, shall obtain, prior to remittance of funds to Asbestos Claimants' counsel or the claimant, if pro se, in respect of any Asbestos Claim, a certification from the claimant to be paid that said claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or any related rules, regulations, or guidance, in connection with, or relating to, such Asbestos Claim. The Receiver and/or the Trustee, as the case may be, shall provide a certification of his or her compliance with this Section to the Insurers upon the Insurers' request, but not more often than quarterly. The Receiver and/or the Trustee, as the case may be, shall permit reasonable audits by the Insurers, no more often than quarterly, to confirm compliance with this Section 15. The Insurers shall keep any information and documents received from the Receiver or the Trustee pursuant to this Section 16 confidential and shall not use such information for any purpose other than meeting obligations under this Section 15.
- 15.10 Compliance with the requirements of Sections 15.1 through 15.9 of this Agreement shall be a material obligation of the Receiver and/or the Trustee in favor of the Insurers.
- 15.11 The Parties agree that Sections 15.2 through 15.10 of this Agreement are intended to be purely prophylactic in nature, and shall not constitute or be construed as an admission that the Insurers are in fact an "applicable plan" for MSP reporting purposes, or that they have any legal obligation to report any actions undertaken by the Receiver, the Trustee, or other payor of Asbestos Claims under the MSP or any other statute or regulation.
- 15.12 Assets held by the Receiver, the Trustee, or other entity responsible for paying Asbestos Claims may also be used for payment of indemnity and expenses relating to reimbursing conditional payments made pursuant to the MSP to applicable Medicare beneficiaries. Except for the payment of amounts payable under this Agreement, no Party shall be obligated to make any payments for this purpose.

16. Dispute Resolution.

16.1 If any dispute should arise concerning the terms, meaning, or implementation of this Agreement, the Parties agree to use their best efforts to reach a prompt resolution of such dispute. If the Parties are unable to reach an agreement, they shall proceed to mediation within thirty days after either Party delivers a written notice of request for mediation. If the mediation is unsuccessful, either Party may commence a legal action in an appropriate forum, but no Party may initiate litigation until after a mediation has commenced and the mediator has determined that the Parties' mediation has reached an impasse.

17. Miscellaneous Provisions.

17.1 This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and to their respective successors.

17.2 This Agreement is not intended to benefit any person or entity other than the Parties, the ASI Releasees, the Chubb Releasees, and the Motorists Releasees, except as expressly stated herein. Other than as expressly provided herein, this Agreement is not intended to bind any non-Party to any of the compromises, stipulations or agreements made herein.

17.3 Each Party warrants and represents that neither it nor any of its predecessors, affiliates, agencies, departments, organizations, branches, commissions, or divisions has previously assigned or transferred or executed an agreement purporting to assign or transfer (a) any Claim released or waived herein or (b) any rights or obligations under this Agreement.

17.4 This Agreement is not assignable by any Party and any purported assignment shall be void without the express written agreement of the other Parties, except an assignment by operation of law which shall be effective.

17.5 In the event that any non-Party to this Agreement takes any action to try to invalidate this Agreement in whole or in part, the Parties will fully cooperate to oppose such action.

17.6 The titles of the sections in this Agreement are for convenience of reference only and are not intended to be part of, or to affect the meaning, construction, or interpretation of, this Agreement.

17.7 This Agreement contains the entire agreement among the Parties with respect to the issues addressed herein. Except as explicitly set forth in this Agreement, there are no representations, warranties, promises, or inducements, whether oral, written, expressed, or implied, that in any way affect or condition the validity of this Agreement or alter or supplement its terms. Any statements, promises, or

inducements made by either Party or any agent of either Party that are not contained in this Agreement shall not be valid or binding.

- 17.8 This Agreement may be executed in several counterparts, each of which shall be deemed an original, which together shall constitute one and the same instrument and agreement. Each counterpart may be delivered by electronic transmission (by facsimile or e-mail as a .pdf attachment), and a faxed or e-mailed signature shall be binding with the same force and effect as original signatures.
- 17.9 Each of the Parties represents and warrants that it is authorized to enter into this Agreement; that the execution and delivery of this Agreement and the consummation of this transaction will not conflict with or result in any violation or default under any provision of its articles of incorporation, charter, by-laws, or partnership agreement or of any decree, statute, law, ordinance, rule, or regulation applicable to it; and that no further consent, approval, order, authorization, or filing with any governmental authority is required in connection with the execution and delivery of this Agreement or the consummation of the transactions described in this Agreement.
- 17.10 Each signatory of this Agreement declares, warrants, and represents that he or she has the general and specific authority to enter into and to execute this Agreement. This Agreement may be executed on behalf of any Party by the Party's attorney with the same force and effect as if the Party had personally executed the Agreement.
- 17.11 Each Party understands, acknowledges, and agrees that if any fact or legal premise now believed to be true is found hereafter to be other than, or different from, that which is now believed, each expressly assumes the risk of such difference in fact or legal premise and agrees that this Agreement shall and will remain effective notwithstanding any such difference.
- 17.12 This Agreement shall not be modified, altered, or discharged, nor any of its provisions waived, except by a writing signed by each of the Parties hereto. A failure to enforce any provision of this Agreement in a particular instance shall not be construed as a waiver of any such provision or any other provision of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

Nancy Gibson, Receiver

By: _____ Dated: May ____, 2020
Nancy Gibson
Receiver of Robinson Insulation Company

American States Insurance Company,
by its authorized claims representative,
Resolute Management, Inc.

By: _____ Dated: May ____, 2020
Melissa Arkwell
Senior Vice President Direct Claims

ACE Fire Underwriters Insurance Company
and ACE Property & Casualty Insurance Company

By: _____ Dated: May ____, 2020
Shelby L. Mattioli
Senior Vice President, Brandywine Direct Claims

Motorists Commercial Mutual Insurance Company

By: _____ Dated: May ____, 2020
William J. McGee, Jr.
Senior Vice President, Chief Risk Officer
Encova Insurance (formerly Motorists Insurance Group
and BrickStreet Insurance)

EXHIBIT A – KNOWN AMERICAN STATES POLICY ISSUED TO ROBINSON

ISSUING INSURER	POLICY	POLICY PERIOD
American States Insurance Company	AP 079-570-1	5/28/85-5/28/86

EXHIBIT B – KNOWN CHUBB POLICIES ISSUED TO ROBINSON

ISSUING INSURER	POLICY	POLICY PERIOD
Central National Insurance Company of Omaha	CNU 035051 (umbrella)	4/11/80 to 2/11/81
Central National Insurance Company of Omaha	CNU 004833 (umbrella)	2/11/81 to 2/11/84 (cancelled effective 2/11/83)
Aetna Fire	WDP DO 7818105 (primary)	2/10/83 to 2/10/84
Aetna Ins. Co.	UL 850829 (umbrella)	2/10/83 to 2/10/84
Aetna Fire	RWP DO 7818105 (primary)	2/10/84 to 2/10/85

**EXHIBIT C – KNOWN OR ALLEGED MOTORISTS' POLICIES ISSUED OR
ALLEGEDLY ISSUED BY AMERICAN HARDWARE MUTUAL INSURANCE
COMPANY TO ROBINSON**

Primary Policies

POLICY	POLICY PERIOD	MOTORISTS' DISPUTE
1-2282065	12/20/1971-12/20/1974	Interpretation of aggregate limit of liability; Motorists' position is it is a policy period aggregate
2-2282514	02/10/1972-02/10/1975	Interpretation of aggregate limit of liability; Motorists' position is it is a policy period aggregate
5-2282514	02/10/1975-02/10/1978	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
4-2282514	02/10/1978-02/10/1979	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
8-2282514	02/10/1978-02/10/1979	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
9-2282514	02/10/1979-02/10/1980	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
5-5573921	03/15/1985-05/10/1985	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
Unknown	1973-1978	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
5-5572332	Unknown	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period

Umbrella Policies

POLICY	POLICY PERIOD	MOTORISTS' DISPUTE
1-2140381	12/20/1971-02/10/1972	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
2-2140381	02/10/1972-02/10/1973	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
3-2140381	02/10/1973-02/10/1974	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
4-2140381	12/26/1974-12/26/1977	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
7-2140381	12/26/1977-12/26/1978	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
8-2142864	12/26/1978-12/26/1979	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
9-2142864	12/26/1979-4/11/1980	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period
Unknown	3/15/1985-5/10/1985	Existence of this policy and extent of coverage due to (i) lack of information on coverage and policy terms, and (ii) lack of information regarding claimant exposure during the period

Except for the policies listed above, Motorists disputes the existence of any other policies of liability insurance, whether known or unknown, whether issued or allegedly issued, whether primary, umbrella, excess, or otherwise, issued or allegedly issued prior to the Execution Date by any entity with the definition of Motorists Releasees: (a) to any entity or person within the definition of Robinson or Grogan; or (b) under which any entity or person within the definition of Robinson Entities or Grogan Entities, or any of their respective successors or assigns, contends that Robinson, Grogan, or the Receiver are entitled to insurance, rights, benefits, or otherwise.

EXHIBIT D – AMERICAN STATES ENTITIES TO BE RELEASED

America First Insurance Company	America First Lloyd's Insurance Company
American Economy Insurance Company	American Fire and Casualty Company
American States Insurance Company	American States Insurance Company of Texas
American States Lloyds Insurance Company	American States Preferred Insurance Company
Colorado Casualty Insurance Company	Consolidated Insurance Company
Employers Insurance Company of Wausau	Excelsior Insurance Company
The First Liberty Insurance Corporation	First National Insurance Company of America
General Insurance Company of America	Golden Eagle Insurance Corporation
Hawkeye-Security Insurance Company	Indiana Insurance Company
Insurance Company of Illinois	Ironshore Indemnity Inc.
Ironshore Specialty Insurance Company	Liberty County Mutual Insurance Company
Liberty Insurance Corporation	Liberty Insurance Underwriters Inc.
Liberty Lloyds of Texas Insurance Company	Liberty Mutual Fire Insurance Company
Liberty Mutual Insurance Company	Liberty Mutual Mid-Atlantic Insurance Company
Liberty Mutual Personal Insurance Company	Liberty Northwest Insurance Corporation
Liberty Personal Insurance Company	Liberty Surplus Insurance Corporation
LM General Insurance Company	LM Insurance Corporation
LM Property and Casualty Insurance Company	Mid-American Fire & Casualty Company
The Midwestern Indemnity Company	Montgomery Mutual Insurance Company
National Insurance Association	The Netherlands Insurance Company
North Pacific Insurance Company	The Ohio Casualty Insurance Company

Ohio Security Insurance Company	Oregon Automobile Insurance Company
Peerless Indemnity Insurance Company	Peerless Insurance Company
Safeco Insurance Company of America	Safeco Insurance Company of Illinois
Safeco Insurance Company of Indiana	Safeco Insurance Company of Oregon
Safeco Lloyds Insurance Company	Safeco National Insurance Company
Safeco Surplus Lines Insurance Company	San Diego Insurance Company
Wausau Business Insurance Company	Wausau Underwriters Insurance Company
Wausau General Insurance Company	West American Insurance Company

EXHIBIT E – CHUBB ENTITIES TO BE RELEASED

ACE American Insurance Company, formerly known as CIGNA Insurance Company formerly known as INA Underwriters, formerly known as Allied Insurance Company
ACE American Insurance Company, successor to ACE American Lloyds Insurance Company fka ACE American Insurance Company of Texas fka American Lloyds Insurance Company
ACE American Insurance Company, successor to ACE American Lloyds Insurance Company fka ACE American Insurance Company of Texas fka American Lloyds Insurance Company
ACE American Reinsurance Company, formerly known as CIGNA Reinsurance Company, formerly known as INA Reinsurance Company
ACE Employers Insurance Company, formerly known as CIGNA Employers Insurance Company, formerly known as INA Employers Insurance Company
ACE Fire Underwriters Insurance Company, formerly known as CIGNA Fire Underwriters Insurance Company, formerly known as Aetna Fire Underwriters Insurance Company
Westchester Fire Insurance Company, successor to ACE Indemnity Insurance Company, formerly known as CIGNA Indemnity Insurance Company
ACE American Insurance Company, successor to ACE Insurance Company of Illinois, formerly known as CIGNA Insurance Company of Illinois, formerly known as INA Insurance Company of Illinois
ACE American Insurance Company, successor to ACE Insurance Company of Ohio, formerly known as CIGNA Insurance Company of Ohio, formerly known as Aetna Insurance Company of Ohio
Chubb Insurance Company of Puerto Rico, formally known as ACE Insurance Company of Puerto Rico, formerly known as CIGNA Insurance Company of Puerto Rico, formerly known as Aetna Insurance Company of Puerto Rico
ACE American Insurance Company, successor to ACE Insurance Company of Texas, formerly known as CIGNA Insurance Company of Texas, formerly known as Aetna Insurance Company of Texas
ACE Insurance Company of the Midwest, successor to CIGNA Insurance Company of the Midwest, formerly known as Aetna Insurance Company of the Midwest
ACE Property & Casualty Insurance Company, formerly known as CIGNA Property and Casualty Company, successor to Aetna Insurance Company

ACE Fire Underwriters Insurance Company, formerly known as CIGNA Fire Underwriters Insurance Company, formerly known as Aetna Fire Underwriters Insurance Company
ACE Property & Casualty Insurance Company, formerly known as CIGNA Property and Casualty Company, successor to Aetna Insurance Company
ACE American Insurance Company, successor to ACE Insurance Company of Ohio, formerly known as CIGNA Insurance Company of Ohio, formerly known as Aetna Insurance Company of Ohio
Chubb Insurance Company of Puerto Rico, formerly known as ACE Insurance Company of Puerto Rico, formerly known as CIGNA Insurance Company of Puerto Rico, formerly known as Aetna Insurance Company of Puerto Rico
ACE American Insurance Company, successor to ACE Insurance Company of Texas, formerly known as CIGNA Insurance Company of Texas, formerly known as Aetna Insurance Company of Texas
ACE Insurance Company of the Midwest, formerly known as CIGNA Insurance Company of the Midwest, formerly known as Aetna Insurance Company of the Midwest
Aetna Insurance Company of Connecticut
Allied Insurance Company
ACE American Insurance Company, successor to ACE American Lloyds Insurance Company fka ACE American Insurance Company of Texas fka American Lloyds Insurance Company
Atlantic Employers Insurance Company
Bankers Standard Insurance Company, successor to Bankers Standard Fire & Marine Company
Bankers Standard Insurance Company
Central National Insurance Company of Omaha, but only as respects policies issued through Cravens, Dargan & Company, Pacific Coast
Century Indemnity Company, including as successor to CIGNA Specialty Insurance Company, formerly known as California Union Insurance Company
Century Reinsurance Company
Chubb Custom Insurance Company
Chubb Indemnity Insurance Company

Chubb Insurance Company of New Jersey
Chubb Insurance Company of Puerto Rico, formerly known as ACE Insurance Company of Puerto Rico, formerly known as CIGNA Insurance Company of Puerto Rico, formerly known as Aetna Insurance Company of Puerto Rico
Chubb Lloyd's Insurance Company of Texas
Chubb National Insurance Company
ACE Employers Insurance Company, formerly known as CIGNA Employers Insurance Company, formerly known as INA Employers Insurance Company
ACE Fire Underwriters Insurance Company, formerly known as CIGNA Fire Underwriters Insurance Company, formerly known as Aetna Fire Underwriters Insurance Company
Westchester Fire Insurance Company, successor to ACE Indemnity Insurance Company, formerly known as CIGNA Indemnity Insurance Company
ACE American Insurance Company, formerly known as CIGNA Insurance Company successor to INA Underwriters, formerly known as Allied Insurance Company
ACE American Insurance Company, successor to ACE Insurance Company of Illinois, formerly known as CIGNA Insurance Company of Illinois, formerly known as INA Insurance Company of Illinois
ACE American Insurance Company, successor to ACE Insurance Company of Ohio, formerly known as CIGNA Insurance Company of Ohio, formerly known as Aetna Insurance Company of Ohio
Chubb Insurance Company of Puerto Rico, formally known as ACE Insurance Company of Puerto Rico, formerly known as CIGNA Insurance Company of Puerto Rico, formerly known as Aetna Insurance Company of Puerto Rico
ACE American Insurance Company, successor to ACE Insurance Company of Texas, formerly known as CIGNA Insurance Company of Texas, formerly known as Aetna Insurance Company of Texas
ACE Insurance Company of the Midwest, formerly known as CIGNA Insurance Company of the Midwest, formerly known as Aetna Insurance Company of the Midwest
ACE Property & Casualty Insurance Company, formerly known as CIGNA Property and Casualty Company, successor to Aetna Insurance Company
ACE American Reinsurance Company, formerly known as CIGNA Reinsurance Company,

formerly known as INA Reinsurance Company
Chubb Holdings, successor to Chubb Executive Risk Inc., fka Executive Risk Inc., fka Executive Re Indemnity Company, fka ERIC Reinsurance Company, fka Excess Insurance Company, fka American Excess Insurance Company
Executive Risk Specialty Insurance Company, fka Executive Re Specialty Insurance Company
Federal Insurance Company
Illinois Union Insurance Company, successor to GATX Insurance Company
Great Northern Insurance Company
Highlands Insurance Company, in receivership, by and through its claim handling agent, Cravens, Dargan & Co., Pacific Coast
Horace Mann Insurance Company
Illinois Union Insurance Company
Imperial Casualty Company but only as respects policies issued through Cravens, Dargan & Company, Pacific Coast or GATX Underwriters Inc.
ACE Employers Insurance Company, formerly known as CIGNA Employers Insurance Company, formerly known as INA Employers Insurance Company
ACE American Insurance Company, successor to ACE Insurance Company of Illinois, formerly known as CIGNA Insurance Company of Illinois, formerly known as INA Insurance Company of Illinois
ACE American Reinsurance Company, formerly known as CIGNA Reinsurance Company, formerly known as INA Reinsurance Company
INA Surplus Insurance Company
ACE American Insurance Company, formerly known as CIGNA Insurance Company successor to INA Underwriters, successor to Allied Insurance Company
Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North, as successor to Indemnity Insurance Company of North America
Westchester Fire Insurance Company with respect to policies novated from Industrial Indemnity Insurance Company

Westchester Fire Insurance Company with respect to policies novated from Industrial Underwriting Insurance Company.
Westchester Surplus Lines Insurance Company, formerly known as Industrial Insurance Company of Hawaii, Inc.
Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America
Westchester Fire Insurance Company with respect to policies novated from International Insurance Company
Westchester Fire Insurance Company with respect to policies novated from International Surplus Lines Insurance Company
Motor Vehicle Casualty Company, but only as respects policies issued through Cravens, Dargan & Company, Pacific Coast
Westchester Fire Insurance Company with respect to policies novated from Mount Airy Insurance Company
Westchester Fire Insurance Company with respect to policies novated from North River Insurance Company
Northwestern Pacific Insurance Company
Pacific Employers Insurance Company
Pacific Indemnity Company
Service Fire Insurance Company, by and through its claim handling agent, Cravens, Dargan & Co., Pacific Coast
Texas Pacific Insurance Company
Westchester Fire Insurance Company with respect to policies novated from U.S. Fire Insurance Company
Vigilant Insurance Company
Westchester Fire Insurance Company with respect to policies novated from Viking Insurance Company
Westchester Fire Insurance Company
Westchester Surplus Lines Insurance Company fka Industrial Insurance Company of Hawaii

Oakwood Insurance Company (successor by merger to Central National Insurance Company of Omaha, but only with respect to those policies issued through Cravens, Dargan & Company, Pacific Coast)

EXHIBIT F – MOTORISTS ENTITIES TO BE RELEASED

Motorists Mutual Insurance Company
American Hardware Mutual Insurance Company
Phenix Mutual Fire Insurance Company
Wilson Mutual Insurance Company
BrickStreet Mutual Insurance Company
PinnaclePoint Insurance Company
NorthStone Insurance Company
SummitPoint Insurance Company
AlleghenyPoint Insurance Company
MICO Insurance Company
Consumers Insurance USA, Inc.
Motorists Commercial Mutual Insurance Company
Iowa Mutual Insurance Company
Motorists Life Insurance Company
Iowa American Insurance Company
Broad Street Brokerage Insurance Agency, LLC
MCM Insurance Agency, Inc.
IMARC, LLC

EXHIBIT G – STIPULATION OF DISMISSAL

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Attorneys for Plaintiffs: ACE Fire Underwriters Company
and ACE Property & Casualty Insurance Company

**UNITED STATES DISTRICT COURT
DISTRICT OF MONTANA, MISSOULA DIVISION**

<p>ACE FIRE UNDERWRITERS COMPANY and ACE PROPERTY & CASUALTY INSURANCE COMPANY,</p> <p style="text-align: center;">Plaintiffs,</p> <p style="text-align: center;">v.</p> <p>NANCY GIBSON, AS RECEIVER FOR ROBINSON INSULATION COMPANY; AMERICAN STATES INSURANCE COMPANY; and MOTORISTS COMMERCIAL MUTUAL INSURANCE COMPANY,</p> <p style="text-align: center;">Defendants.</p>	<p>CV 19-181-M-DLC-KLD</p> <p>STIPULATION OF DISMISSAL WITH PREJUDICE OF ALL CLAIMS BY ALL PARTIES</p>
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**STIPULATION OF DISMISSAL WITH PREJUDICE
OF ALL CLAIMS BY ALL PARTIES**

IT IS HEREBY STIPULATED AND AGREED as follows by plaintiffs and counterclaim defendants ACE Fire Underwriters Company and ACE Property & Casualty Insurance Company (collectively, “Chubb”), defendant, counterclaimant, cross-claimant, and cross-claim defendant Nancy Gibson, as receiver for Robinson Insulation Company (the “Receiver”), defendant, counterclaimant, cross-claimant, and cross-claim defendant American States Insurance Company (“American States”), and defendant, counterclaimant, cross-claimant, and cross-claim defendant Motorists Commercial Mutual Insurance Company (“Motorists”), as follows:

1. Chubb hereby dismisses its complaint as against the Receiver, American States, and Motorists, with prejudice.
2. The Receiver hereby dismisses her counterclaims against Chubb and her cross-claims against American States and Motorists, with prejudice.
3. American States hereby dismisses its counterclaims against Chubb and its cross-claims against the Receiver and Motorists, with prejudice.
4. Motorists hereby dismisses its counterclaims against Chubb and its cross-claims against the Receiver and American States, with prejudice.
5. Any and all other claims asserted in this action by any party against any other party are dismissed, with prejudice.
6. Each party shall bear its own fees and costs with respect to this action and this stipulation of dismissal with prejudice.

[signatures begin on next page]

Dated: _____, 2020

By: /s/ Mark S. Williams
Mark S. Williams
WILLIAMS LAW FIRM

Mark D. Plevin (admitted *pro hac vice*)
CROWELL & MORING LLP

Attorneys for Plaintiffs and Counterclaim Defendants:
ACE Fire Underwriters Company and ACE Property &
Casualty Insurance Company

Dated: _____, 2020

By: /s/ Allan M. McGarvey
MCGARVEY, HEBERLING, SULLIVAN & LACEY, P.C.

On behalf of:
Defendant, Counterclaimant, Cross-Claimant, and
Cross-claim Defendant Nancy Gibson, in her capacity
as Court-appointed Receiver for Robinson Insulation
Company

Dated: _____, 2020

By: /s/ Adam M. Shaw
Adam M. Shaw
BROWN LAW FIRM, P.C.

Michael J. Cohen (admitted *pro hac vice*)
Garrett A. Soberalski (admitted *pro hac vice*)
Hannah M. Compton (admitted *pro hac vice*)
MEISSNER TIERNEY FISHER & NICHOLS S.C..

Attorneys for Defendant, Counterclaimant,
Cross-Claimant, and Cross-claim Defendant American
States Insurance Company

Dated: _____, 2020

By: /s/ Shane P. Coleman
Shane P. Coleman
HOLLAND & HART LLP

Attorneys for Defendant, Counterclaimant,
Cross-Claimant, and Cross-claim Defendant Motorists
Commercial Mutual Insurance Company

EXHIBIT H – FORM OF SETTLEMENT APPROVAL ORDER

IN THE ASBESTOS CLAIMS COURT OF THE STATE OF MONTANA

IN RE ASBESTOS LITIGATION,

Consolidated Cases

Cause No. AC 17-0694

JUDGMENT AND ORDER APPROVING
SETTLEMENT (Robinson Insulation
Receivership)

Receiver Nancy Gibson and Allan McGarvey and Mark Kovacich on behalf of certain Libby Plaintiffs have jointly filed a motion (the “Motion”) asking this Court to authorize the Receiver’s settlement of the insurance coverage claims by Robinson Insulation Company (“Robinson”) against ACE Fire Underwriters Insurance Company and ACE Property & Casualty Insurance Company (collectively, “Chubb”), American States Insurance Company (“American States”), and Motorists Commercial Mutual Insurance Company (“Motorists” and, collectively with Chubb and American States, the “Settling Insurers”). A copy of the “Settlement Agreement and Release” (the “Agreement”) between the Receiver and the Settling Insurers is attached to the joint motion of the Receiver and certain Libby Plaintiffs, and has been reviewed by this Court.²

The court has reviewed the following documentation attached to the Motion and makes these findings based thereon:

- (a) Exhibit A is a discovery response filed on behalf of Grogan Robinson Lumber Company (“Grogan”). It establishes, and the court finds, (i) that Grogan was the successor to Lumber Yard Supply and Grogan-Robinson Lumber Company; (ii) ownership and related management of Robinson and Grogan and its predecessors overlapped; and (iii) that, following the winding up of its assets and affairs, Grogan was dissolved in 2018.
- (b) Exhibit B is a copy of the Agreement which the Court finds to exhaust the limits of liability coverages in the policies settled thereby.
- (c) Exhibit C is an affidavit of Allan McGarvey, attorney for hundreds of Libby asbestos claimants including those with and without claims of exposures during the insurance coverage period. It establishes, and the court finds, that (i) the Agreement was reached

² Unless defined separately herein, all capitalized terms in this Order have the meanings ascribed to them in the Agreement.

- following extensive efforts to identify insurance policies potentially providing coverage for claims against Robinson; (ii) despite reasonable efforts, a number of policies and /or declaration sheets, endorsements, and forms for several policies could not be located; (iii) secondary evidence of coverages provided by certain policies was located but was also incomplete; (iv) pleadings in a declaratory judgment action filed in U.S. District Court in Montana were filed setting forth the coverage contentions and defenses of the parties to the Agreement; (v) extensive analysis and negotiation was pursued to reach agreement on the coverages provable and the meanings thereof; and (vi) counsel for all known individuals with claims against Robinson are satisfied that the Agreement exhausts the maximum available coverage under the settled policies.
- (d) Exhibit D is a Qualified Settlement Fund Trust which the court finds (i) will receive and hold proceeds of the settlement of the settled insurance; (ii) upon further application to and approval of this court, would distribute such proceeds to resolve claims of those with claims against the Receivership estate which constitute occurrences under the coverages of the settled insurance; and (iii) is the appropriate and necessary and customary mechanism to manage those proceeds, as they must be, for the purpose of resolving corresponding claims.
- (e) The affidavits of Allan McGarvey and Receiver Nancy Gibson establish, and the court finds, that (i) lawsuits have been filed against both Robinson and Grogan alleging claims for strict product liability for the same asbestos injuries with the difference being that Robinson was primarily a manufacturer of the product while Grogan and its predecessor entities were distributors of the product, (ii) the Settling Insurers have been providing a defense of all such claims under reservation of rights, (iii) plaintiffs' counsel have apprised defense counsel that many lawsuits may be brought against Grogan alleging strict product liability for damages for which Robinson is alleged to also be liable, and (iv) the resolution of the claims against Robinson will therefore not eliminate lawsuits against Grogan for the same injuries or types of injuries.

The court concludes as follows:

- (A) This Court's March 23, 2018 Order (the "Order") creating the receivership granted authority for the Receiver to make demands that the insurers settle claims against Robinson (Order ¶1(c)). The Order, at Order ¶2 (a),(b) requires that the Receiver obtain this Court's approval of "specific proposals" for settlement.
- (B) The proposed settlement entered into by the Receiver and its insurers is appropriately made subject to this Court's approval.
- (C) The settlement is in the best interests of the Robinson and Grogan receivership estates because it is a fair and reasonable compromise of disputed insurance

coverage issues. The settlement was negotiated in good faith and at arm's length between the Receiver and Mr. McGarvey, on the one hand, and each of the Settling Insurers, on the other hand.

- (D) The compromise embodied in the Agreement allows the Receiver to liquidate Robinson's and Grogan's insurance coverage for distribution to persons asserting claims against Robinson and/or Grogan, subject to the establishment of a Trust that would, once approved by this court, fairly and equitably distribute the insurance settlement proceeds to those claimants against Robinson and/or Grogan who satisfy the Trust's requirements.
- (E) The Agreement provides, at paragraph 3.3, that each Settling Insurer shall pay its respective settlement amount into a Qualified Settlement Fund ("QSF"), and that the Receiver shall not distribute any funds from the QSF except as authorized by this court.
- (F) The Receiver has provided due and adequate notice of the Motion, the deadline to object to the Motion, the Agreement, and the subject matter thereof to all persons known to have asserted Asbestos Claims (as defined in the Agreement) against either Robinson or Grogan and to all of its other insurers, including Home Insurance Company (in liquidation) and Mission Insurance Company (in liquidation). In addition, to ensure the broadest notice possible, the Receiver and the Settling Insurers have published notice of the (i) Motion, (ii) the hearing on the Motion, and (iii) the Agreement in *USA Today*, *The Western News*, *Kalispell Daily Interlake*, *Missoulian*, *Great Falls Tribune*, and *Helena Independent Record* on [May 26], 2020, in the *Billings Gazette* on [May 27], 2020, and in the *Sanders County Ledger* on [May 28], 2020. Such notice, including the aforesaid notice by publication, was good and sufficient under the particular circumstances to provide adequate and appropriate notice to both known and unknown Asbestos Claimants, and no other or further notice is or shall be required. Accordingly, a reasonable opportunity to object or be heard with respect to the Motion and relief requested herein has been properly afforded to all persons and entities potentially affected by the Agreement.
- (G) The relief sought in the Motion is in the best interests of the Robinson and Grogan receivership estates and the Asbestos Claimants. The Receiver has demonstrated good, sufficient, and sound business purposes and justifications for the relief requested in the Motion. The compromise and settlement with the Settling Insurers embodied in the Agreement is consistent with and within the reasonable range of litigation outcomes if the Receiver were to litigate the matters resolved pursuant to this Order.

- (H) The compromises contained in the Agreement are a valid and proper exercise of the reasonable business judgment of the Receiver and represent an exchange for reasonably equivalent value. The releases to be given by the Receiver pursuant to Section 5 of the Agreement are appropriate and should be approved. The Settling Insurers would not have entered into the Agreement or any of the compromises and settlements contained therein, or agreed to pay their respective Settlement Amounts, without the benefit of obtaining the releases contained in the Settlement Agreement and the Injunctions contained in this Order.
- (I) This court has inherent equitable authority sufficient to permit it to enter the injunctions contained in Sections 4 and 5 of this Order (the "Injunctions"). The Injunctions are essential to give effect to the settlements and compromises set forth in the Agreement and to fulfill the purposes of both the Robinson and Grogan receiverships. The Settling Insurers have asserted that the Injunctions are a necessary prerequisite for entry into the Settlement Agreement, and the Settling Insurers have informed the Receiver that they will not consummate the settlements and compromises set forth in the Agreement, or pay their respective Settlement Amounts in the absence of the Injunction.

Wherefore, IT IS HEREBY ORDERED and ADJUDGED:

- (1) The Motion is granted.
- (2) The Agreement settling and releasing the insurance coverage claims of Nancy Gibson, as court-appointed Receiver for Robinson and Grogan, against the Settling Insurers is hereby fully and finally approved.
- (3) Settlement proceeds shall be paid to the Receiver, Nancy Gibson, to be held by the Receiver in a QSF, until such time as this court approves the establishment of a Trust and appropriate procedures for the Trust to distribute the settlement proceeds to Asbestos Claimants.
- (4) Pursuant to the Court's inherent equitable authority, (a) all Persons who hold or assert, or may in the future hold or assert, any Claim against Robinson, Grogan, or the Receiver arising in connection with the activities covered by the Policies, or in connection with the activities of Robinson or Grogan giving rise to the Claims that have been made or that could be made under the Policies, and (b) all Persons who may claim to be an insured, additional insured, or otherwise entitled to any benefit under the Policies, are permanently stayed, barred, restrained, and enjoined from asserting any such Claim or right to entitlement, from commencing a proceeding, or taking any other action against ACE Fire Underwriters Insurance Company, ACE Property & Casualty Insurance Company, Motorists Commercial Mutual

Insurance Company, or American States Insurance Company (collectively, the “Settling Insurers”) or the persons and entities defined in the Agreement as “Insurer Parties” for the purpose of obtaining any recovery or other relief from the Settling Insurers or the Insurer Parties based on, under, arising out of, related or attributable to, and/or in connection with the Policies.

- (5) All claims for contribution, allocation, subrogation, and equitable indemnity, or similar claims, against any of the Settling Insurers (collectively, “Contribution Claims”), whether by parties appearing before the Asbestos Claims Court or not, are hereby BARRED pursuant to the Court’s inherent equitable authority. All Contribution Claims against any of the Settling Insurers shall be channeled to the QSF established to hold the Settlement Amounts paid by the Settling Insurers or to any Trust to which the funds in the QSF are transferred following an order by this Court authorizing such transfer.
- (6) This is a final order and judgment for purposes of appeal under Rule 4(1)(a) of the Montana Rules of Appellate Procedure.

DATED AND ELECTRONICALLY SIGNED AS NOTED BELOW.

__/__/2020

Amy Eddy, Asbestos Claims Court Judge