ORRICK, HERRINGTON & SUTCLIFFE LLP
51 West 52nd Street
New York, New York 10019
Telephone: 212 506-5000
Facsimile: 212 505-5151
Evan C. Hollander
Daniel A. Rubens
David Litterine-Kaufman
Michael Trentin

Counsel for the Petitioner
Raymond Chabot Inc., in its capacity as
Foreign Representative

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 15
	)	
Asbestos Corporation Limited,[1]	)	Case No. 25-10934 (mg)
	)	
Debtor in a Foreign Proceeding.	)	
	)	

FOREIGN REPRESENTATIVE'S EIGHTH STATUS REPORT

Raymond Chabot Inc. (the "**Monitor**"), the foreign representative (the "**Foreign Representative**" or "**Petitioner**") of the above-captioned debtor, Asbestos Corporation Limited (the "**Debtor**" or "**ACL**"), a debtor in a proceeding under Canada's Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), pending before the Superior Court of Québec (the "**CCAA Proceeding**," and such court, the "**Canadian Court**"), by and through its undersigned counsel, submits this eighth status report with respect to the above-captioned case and the CCAA Proceeding pending in the Canadian Court.

[1] The Debtor in this chapter 15 case, along with its unique identifier, is Asbestos Corporation Limited (Canadian Federal Business Number: 104903273RC0001). The Debtor has a registered and business address in Canada of 840 Boul. Ouellet, Thetford Mines, QC G6G 7A5, Canada.

I. <u>Canadian Court Judgments Following The May 2026 Hearings</u>

1. On June 10, 11, and 19, 2026, the Canadian Court issued judgments resolving various disputes that were raised in hearings beginning on May 11, 2026 (the "**May 2026 Hearings**"), as summarized in the Monitor's Seventh Status Report (the "**Seventh Status Report**").[2] Those judgments are attached to this report and described below.

A. <u>Judgment Authorizing Filing Of A Competing Expert Report And Scheduling A Further Hearing On The Use Of ACL's Historical Settlement Values To Evaluate Asbestos Claims</u>

2. As discussed in the Seventh Status Report, on May 4, 2026, the Debtor and CLMI (together, the "**Co-Applicants**"), with the support of the Monitor, filed an application seeking approval of, *inter alia*, an order establishing procedures for the adjudication of asbestos claims. In further support of the application, the Monitor submitted an expert report of Dr. Stephanie Plancich of National Economic Research Associates, Inc., in which Dr. Plancich set forth a chart summarizing ACL's inflation-adjusted settlement values of asbestos personal injury claims in the U.S. tort system from 2015 to 2024. The Co-Applicants incorporated that table into Schedule B of the proposed Claims Adjudication Order, which indicated that the Monitor would take account of ACL's settlement history, as summarized in that table, in determining the appropriate compensation for eligible claims. At the May 2026 Hearings, the Canadian Opposing Parties[3]

---

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Seventh Status Report.

[3] The term "**Canadian Opposing Parties**" refers to the group represented by Davies Ward Phillips & Vineberg LLP ("**Davies**") in the CCAA Proceeding, which at times relevant to the May 2026 Hearings and the judgments attached to this status report, consisted of Charles Forman in his capacity as the chapter 7 trustee of National Service Industries, Inc. and three U.S. law firms, which in turn represented 248 individuals asserting personal injury claims in the United States against ACL. On May 28, 2026, the law firm of Bennett Jones LLP filed a Notice of Substitution in the CCAA Proceeding advising that it had been substituted as counsel for Davies.

objected to Dr. Plancich's report and requested, *inter alia*, an opportunity to submit a competing expert report.

3. On June 10, 2026, the Canadian Court issued a judgment authorizing the Canadian Opposing Parties to file a competing expert report, on a schedule to be determined, and ordered that a further hearing be held on the competing expert evidence. A certified translation of the Canadian Court's judgment is attached hereto as **Exhibit A**.

4. At a case management conference held on June 18, 2026, the Canadian Court set July 10, 2026 as the deadline for the competing expert report. The Canadian Court noted the parties' agreement that once the dispute over Dr. Plancich's chart of historical settlement values was resolved, the resulting chart would be incorporated into a protocol for quantifying claims, which will be submitted to the Canadian Court for approval.

B. Judgment Rejecting The Unconditional Disclosure Of ACL's Internal Documents

5. On June 11, 2026, the Canadian Court issued a judgment denying the Canadian Opposing Parties' application to compel the unconditional disclosure of ACL's internal documents. A certified translation of the Canadian Court's corrected judgment, dated June 15, 2026, is attached hereto as **Exhibit B**.

6. As set forth in the judgment, the Canadian Court noted that ACL's internal documents were being made available to claimants who agreed to sign the Restricted Use Undertaking, "a condition that causes them no demonstrable prejudice." Ex. B ¶ 6. The judgment explains that Québec law imposes an implied obligation of confidentiality on materials produced in pretrial discovery, but absent claimants' agreement to the Restricted Use Undertaking, that implied obligation would not necessarily limit their use of ACL's internal documents in U.S. litigation. Ex. B ¶¶ 7-8. Accordingly, to preserve the positions of the Co-Applicants in the event

that the CCAA process is unsuccessful, the Canadian Court found it appropriate to condition access to ACL's internal documents on the signing of the Restricted Use Undertaking.

C. <u>Judgment Granting The Asbestos Claims Adjudication Order Application</u>

7. On June 19, 2026, the Canadian Court issued a judgment granting the Co-Applicants' application for an asbestos claims review and adjudication order and rejecting the Canadian Opposing Parties' objections to that order, with the exception of their disagreement with Dr. Plancich's use of ACL's historical settlement values, addressed above. A certified translation of the Canadian Court's judgment is attached hereto as **Exhibit C**.

8. As approved by the Canadian Court, the Claims Adjudication Order establishes a process for reviewing and determining existing asbestos claims. The Claims Adjudication Order's provisions address, *inter alia*, the Monitor's initial review of proofs of claim, the issuance of notices of determination or disallowance, a right to appeal within 30 days, possible referral to a Claims Officer, and procedural rules for notices, service, and communications.

9. Noting its broad discretion under the CCAA to adopt claims review procedures, the Canadian Court found that "the proposed Asbestos Claims Review and Adjudication Order tends to improve efficiency, accessibility, and certainty." Ex. C ¶ 20. "In addition, it appears to be transparent, fair, and reasonable. It will allow several [v]ictims of asbestos-related diseases, many of whom appear to have been waiting for their 'day in Court' for more than 20 years, to receive a settlement proposal." *Id.*

10. The Canadian Court then considered and rejected the Canadian Opposing Parties' various objections. First, the Canadian Court acknowledged the objectors' concern that distributions could be made without a creditor vote, but found that concern to be premature and possibly theoretical. Ex. C ¶¶ 24-26.

11. Second, the Canadian Court rejected the objectors' contentions that they were not sufficiently consulted as the Monitor and Co-Applicants developed the proposed claims review process. The Canadian Court found it "incorrect" for the objectors "to argue that the Asbestos Claims Review and Adjudication Order was developed without Claimants having had the opportunity to make their position known." The Canadian Court emphasized that "[s]ince the beginning of the proceedings . . . the Opposing Parties have appeared before the Court to contest most of the applications presented[,]" that in each case "their grounds were considered and analyzed[,]" and that the Co-Applicants had in fact modified the proposed claims review and adjudication order to "take into account certain legitimate concerns of the Opposing Parties." Ex. C ¶ 31.

12. Third, the Canadian Court dismissed the objectors' insistence that claimants must be permitted to "opt out" and pursue individual direct actions against ACL's insurers. The Canadian Court noted that this argument was inconsistent with its prior judgment extending the stay of proceedings to the insurers, as well as antithetical to the philosophy of the CCAA. Ex. C ¶¶ 34-38.

13. Fourth, the Canadian Court noted the objectors' various concerns that aspects of the claims review process were "unfair, unreasonable, and inadequate," but deemed those objections premature. The Canadian Court observed that it had yet to resolve the dispute over Dr. Plancich's calculation of ACL's historical settlement values, and that the Co-Applicants had not yet developed or submitted for approval the protocol that will be used to quantify claims. Ex. C ¶¶ 39-40.

Dated: New York, New York
June 25, 2026

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: */s/ Evan C. Hollander*
Evan C. Hollander

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, New York 10019
Telephone: (212) 506-5000
Facsimile: (212) 506-5151
Daniel A. Rubens
David Litterine-Kaufman
Michael Trentin

Counsel for the Petitioner
Raymond Chabot Inc. in its capacity as
Foreign Representative

<u>EXHIBIT A</u>

June 10, 2026 Judgment Authorizing The Submission Of A Competing Expert Report In Connection With The Asbestos Claims Adjudication Order

SUPERIOR COURT

(COMMERCIAL DIVISION)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF FRONTENAC

No.: 235-11-000008-259

DATE: June 10, 2026

PRESIDING: THE HONOURABLE JEAN-FRANÇOIS ÉMOND, S.C.J.

IN THE MATTER OF *THE COMPANIES' CREDITORS ARRANGEMENTS ACT* OF:

ASBESTOS CORPORATION LIMITED
Debtor / Co-applicant
and
CERTAIN UNDERWRITERS AT LLOYD'S, LONDON
and
TENECOM LIMITED
and
THE OCEAN MARINE INSURANCE COMPANY LIMITED
and
NRG VICTORY REINSURANCE LIMITED
and
THE SCOTTISH LION INSURANCE COMPANY LIMITED
CLMI/ Co-applicants
and
RAYMOND CHABOT INC.
Monitor

JUDGMENT
(Asbestos Claim Review and Adjudication Order)

JE 0144

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-24]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé - Certified translator
CHARLES LEMOYNE
33339

The Application

[1] The debtor, Asbestos Corporation Limited ("**ACL**"), and some of its insurers, Certain Underwriters at Lloyd's, London, Tenecom Limited, The Ocean Marine Insurance Company Limited, NRG Victory Reinsurance Limited and The Scottish Lion Insurance Company Limited *et als* ("**CLMI**"), ask the Court to issue a claim review and adjudication order for victims of asbestos-related diseases in Canada and the United States.

[2] This claim review and adjudication order is part of the restructuring process undertaken by ACL and CLMI under the *Companies' Creditors Arrangement Act* ("**CCAA**"). It is a normal and essential step in a restructuring process such as the one undertaken by the debtor ACL, with the help of CLMI.[1]

[3] The orders sought are intended primarily to establish part of the procedure for reviewing and adjudicating claims to be filed by individuals suffering from asbestos-related diseases who have commenced, or may be entitled to commence, proceedings against ACL, CLMI and General Dynamic, the former shareholder of ACL, in Canada and the United States.[2]

[4] The central aspect of the proposed claims review and adjudication procedure concerns the table used to determine the quantum of damages payable on claims, based on the type of pathology affecting the victims (mesothelioma; asbestos-related lung cancer with pleural disease; asbestos-related lung cancer without pleural disease; other types of asbestos-related cancers; and pleural disease caused by asbestos).[3] This table was developed by Stephanie Plancich, Ph.D., of the firm National Economic Research Associates Inc. ("**NERA**"). For 25 years, Dr. Plancich has specialized in the assessment of damages for asbestos-related diseases, particularly in the context of class actions, insolvency proceedings in the United States, and individual claims.[4]

[5] In addition to this damages table, the claim review and adjudication order concerns matters relating to the work to be performed by the Monitor in analyzing and evaluating the claims evidence, as well as the applicable procedure. The proposed order provides in particular that: (i) the Monitor may appoint one or more claims officers

---

1 The circumstances leading up to this restructuring process are described in greater detail in the judgment dated July 30, 2025, which maintained and extended the initial stay order in favour of the debtor, ACL and CLMI, despite the opposition of seven U.S. law firms representing a minority group of potential claimants, namely 1,425 individuals who claim to have suffered asbestos-related diseases, out of the more than 100,000 potential claimants: *Arrangement relating to Asbestos Corporation Limited,* 2025 QCCS 2715.

2 The proposed claim review and adjudication order provides, in Schedule 2, that a protocol will supplement the procedure and that this protocol will be submitted to the Court for approval.

3 Fifth report of the Monitor Raymond Chabot, Schedule M, Report of Stephanie Plancich, Ph.d.

4 Fifth report of the Monitor Raymond Chabot, Schedule L, Resume of Stephanie Plancich, Ph.d.

to assist it in the review and assessment of claims evidence; (ii) the appointment of claims officers shall be subject to approval by the Court; (iii) the Monitor, in consultation with CLMI, may retain physicians, scientists, experts, or lawyers to assist it in its work in determining the validity and quantum of damages payable on claims, in accordance with the damages table described above; (iv) (v) at the Monitor's discretion, review of decisions relating to the validity and quantum of damages payable on claims shall be subject either to an appeal to the Court or to a review process; (vi) where review is elected instead of an appeal to the Court, the claim shall be subject to a filing fee of $500, which shall be reimbursed to successful claimants; (vii) where an appeal is brought before the Court, it shall be governed by the rules applicable to appeals (procedure and standard of review), and shall exclude any de novo review; (viii) claimants may support their claims evidence with expert evidence; on appeal or review, they may also rely on expert evidence, subject in such case to the Monitor's authorization.

[6] Schedule 2 of the proposed order summarizes the claims review and adjudication procedure that would apply. It also refers to the damages table developed by Dr. Plancich, the expert. It further specifies that the claims review and adjudication procedure will be supplemented by a protocol to be submitted to the Court for approval:

> Initial Monitor Review
>
> The Monitor will ascertain that the Proof of Claim submitted by a Claimant complies with all procedural requirements in the Asbestos Claims Bar Date Order and is complete.
>
> Eligibility Assessment
>
> The Monitor will assess whether the Claim is eligible for compensation under applicable law, evaluating the legal elements of the Claim and ACL's defenses thereto, and the evidence presented by the Claimant, including but not limited to evidence of exposure to asbestos supplied by ACL, that the underlying illness was attributable to the Debtor's product and medical evidence relating to the alleged disease.
>
> Determination of the Amount of the Proven Asbestos Claim
>
> Upon the determination by the Monitor that the particular Claim under review is eligible for compensation based on applicable law and available evidence and that the underlying illness was attributable to the Debtor's product, the Monitor will then determine the amount of the Proven Asbestos Claim of the Claimant in respect of such Claim, taking into account ACL's settlement history for comparable claims, as set forth in Table 1 below. The Monitor's assessment and determination of the amount of each Proven Asbestos Claim may also take into account a range of other factors, including, for example and without limitation: the Claimant's age;

number of dependents; life status; economic loss; duration of exposure; smoking history and severity of disease. The Monitor may take into account information concerning compensation already received by the Claimant from other trusts, settlements or defendants for their disease and the proportionate share of exposure attributable to ACL.

The Monitor's determination will also be guided by a protocol, which will be submitted by the Monitor for approval by the Court at a later date.

Table 1

ACL's Inflation-Adjusted 2015-2024 Settlement Values (in USD$)

Value	**Mesothelioma**	**Lung Cancer with Asbestosis/Pleural Disease**	**Lung Cancer without Asbestosis/Pleural Disease**	**Other Cancer**	**Asbestosis/ Pleural Disease**
Average Value	$67,200	$21,600	$15,200	$17,600	$10,400
Maximum Value (95th Percentile)	$195,700	$53,300	$33,300	$39,100	$26,800

[Emphasis added by the Court]

The Opposition

[7] Three U.S. law firms representing 248 individuals suffering from asbestos-related diseases, out of 100,000 potential victims, oppose the proposed order of the debtor, ACL and CLMI.[5]

[8] A major part of the opponents' objections centres on the damages table developed by Dr. Plancich, the expert.

[9] At the hearing, the opponents initially sought the rejection of Dr. Plancich, which was denied. They subsequently requested that the hearing on the claim review and adjudication order be adjourned to a later date in order to allow them to file a responding expert report challenging the damages table developed by Dr. Plancich. It appears that they seek to revise the cap on the quantum of damages proposed by Dr. Plancich.

[10] As it remains possible that no arrangement plan will be submitted for a vote by victims of asbestos-related diseases who have established their claims,[6] the Court grants the request. Indeed, in the event that no vote is held on an arrangement plan or on the

5 Dean Omar Branham Shiley LLP, Brayton Purcell LLP and Zamler, Shiffman & Karfis, P.C.
6 Email from the Monitor's counsel, Alain Tardif, dated June 10, 2026, appended to this judgment.

outcome of the adjudication process, an exceptional scenario that cannot be ruled out at this stage, it appears fair and equitable to allow the opponents to file a responding expert report in order to provide additional insight into the work carried out by Dr. Plancich, the expert. Thus, the opponents may submit alternative methods for assessing and quantifying damages suffered by victims.

FOR THESE REASONS, THE COURT HEREBY:

[11] **RESERVES** its judgment;

[12] **AUTHORIZES** the opponents to file an expert report in response to the report of Stephanie Plancich, Ph.D., the expert;

[13] **REFERS** the matter to the coordinating judge of the Commercial Division to set deadlines for the filing of this expert report and the hearing date;

[14] **COSTS TO FOLLOW.**

[SIGNATURE]
JEAN-FRANCOIS ÉMOND, S.C.J.

Hearing date: June 3, 2026

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-24]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé - Certified translator
CHARLES LEMOYNE
33339

Marie-Josée Côté

From:	Tardif, Alain N. <atardif@MCCARTHY.CA>
Date:	June 10, 2026 11:42
To:	Marie-Josée Côté; Jean-François Émond (Bureau-CS)
Cc:	Pascale Dionne-Bourassa; Simard, Roger P.; Luc Béliveau; Lachance, Christian; Drainville, Frédérique; Éliane Dupéré-Tremblay; Perreault, Jocelyn; Melis Celikaksoy; Guy P. Martel; Guy, Sebastien; Pierre-Paul Daunais; mamorin@fasken.com; Nathalie Nouvet; noah.zucker@nortonrosefulbright.com; Boutin, Marc-Andre; St-Georges, Maude; Rodier-Dumais, William; berniera@bennettjones.com; mightonj@bennettjones.com; nardinia@bennettjones.com; Perreault, Jocelyn; Labbé, Andrée-Anne
Subject:	[EXTERNE] RE: [EXT] 235-11-000008-259 (In the Matter of the Plan of arrangement and compromise of Certains Underwriters at Lloyd's, London et al.)
Attachments:	Schedule F - 2nd Report Monitor (13-6-25).pdf

Ms. Côté, Justice Émond,

As requested, counsel for the Monitor have communicated with counsel for the Co-applicants in order to respond to your question below, namely:
"Does the debtor, ACL and CLMI, intend to submit a plan to the claimants/creditors and to call upon them to vote on such plan? In the absence of a plan, does the debtor intend to submit the results of the distribution process to a vote of the claimants/creditors?"

The Co-applicants' position, as indicated to the Court during discussions on these matters, is that it is difficult to take a position at this stage, given the lack of visibility regarding the scope of claims against ACL that will be found eligible for payment or distribution (the proverbial "universe of claims"). The Monitor notes that this position taken by the Co-applicants is aligned with the contemplated stages of the claims review and adjudication process set out in Schedule F of the Monitor's 2nd Report, dated June 13, 2025, and reintroduced by the Monitor's representative at the May 2026 hearing (attached to this email for your convenience). Indeed, **steps 2 to 4** (deadline for filing claims, content of claims, and notice to potential claimants) were determined by the order issued on January 7, 2026. **Steps 5 to 7** (the compensation matrix/base table for determining the quantum of damages payable on claims, review and adjudication, and appeal procedures for claim determinations) were addressed at the May 2026 hearing, on which the Court will render a decision.

These steps are required in order to determine the "universe of claims" eligible for payment or distribution, before moving on to the next stage, namely "distribution," as set out at **Step 8** (Distribution) : "*8.1 Any valid and accepted presently known claims will be paid through either (i) a distribution order, or (ii) a plan of arrangement. The distribution mechanics will depend on the scope and quantity of claims, with the aim of distributing amounts owing to claimants in an expedited and efficient manner."*

This does not directly answer the question regarding the Co-applicants' intention, as that intention will depend namely on the number and value of the claims. However, as represented to the Court at the May 2026 hearing (as well as at the December 2025 hearing), the Co-applicants' intention is that any payment or distribution must first be subject to the Court's approval. Such approval of the Court could be sought following a vote, for example as part of an

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-24] arrangement plan. However, approval may also be sought without a vote, where the proposed payment or distribution contemplates full payment of one or more claims that have been finally proven and determined. Of course, the Monitor's position with respect to any such application to the Court, whether in the context of an arrangement plan or otherwise, will depend on the terms of the order sought at that time.

It should further be noted that, as the Co-applicants indicated in their representations to the Court, nothing sought in the proposed order submitted by the Co-applicants with respect to the review and adjudication of claims is intended to determine this matter at this stage.

Respectfully,

[LOGO]
McCarthy
Tétrault

Alain N Tardif
Associé | Partner
Faillite et restructuration | Bankruptcy and Restructuring
T: 514-397-4274
C: 514-972-4274
F: 514-875-6246
E: atardif@mccarthy.ca

McCarthy Tétrault LLP
Office MZ400
1000 rue De La Gauchetière Ouest
Montreal QC H3B OA2

From: Marie-Josée Côté <marie-josee.cote@judex.qc.ca>
Date: lundi, juin 08, 2026 08:44
To: Simard, Roger P.<roger.simard@dentons.com>; Luc Béliveau <lbeliveau@fasken.com>; Tardif, Alain N. <atardif@MCCARTHY.CA>; Lachance, Christian <clachance@dwpv.com>; Drainville, Frédérique <fdrainville@mccarthy.ca>; Éliane Dupéré-Tremblay <edtremblay@fasken.com>; Perreault, Jocelyn <jperreault@mccarthy.ca>; Melis Celikaksoy <mcelikaksoy@stikeman.com>; Guy P. Martel <gmartel@stikeman.com>; Guy, Sebastien <sebastien.guy@blakes.com>; Pierre-Paul Daunais <ppdaunais@stikeman.com>; mamorin@fasken.com; Nathalie Nouvet <NNouvet@stikeman.com>; noah.zucker@nortonrosefulbright.com; Boutin, Marc-Andre <maboutin@dwpv.com>; St-Georges, Maude <mstgeorges@mccarthy.ca>; Rodier-Dumais, William <wrodierdumais@dwpv.com>
Cc: Jean-François Émond (Bureau-CS) <jean-francois.emond@judex.qc.ca>
Subject: [EXT] 235-11-000008-259 (In the Matter of the Plan of arrangement and compromise of Certains Underwriters at Lloyd's, London et al.)

<u>From the Honourable Jean-François Émond, S.C.J.</u>

Dear Counsel,

One of the arguments advanced by counsel for the opponents is that a distribution could take place without the claimants or creditors being called upon to vote. This matter was addressed on several occasions during the

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-24]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé - Certified Translator
CHARLES LEMOYNE
33339

hearing. I have been clear that it would be surprising if the claimants/creditors were not asked to vote, given that the co-applicants, CLMI, will inevitably seek to be released from their obligations at the end of the process under the CCAA.

However, I do not believe I received a clear answer from you on that point.

Hence my question: Does the debtor, ACL and CLMI, intend to submit a plan to the claimants/creditors and to call upon them to vote on such plan? In the absence of a plan, does the debtor intend to submit the results of the distribution process to a vote of the claimants/creditors?

These questions call for a brief response, which I would appreciate receiving as soon as possible. To avoid a proliferation of emails, I suggest that the response be communicated to me through counsel for the Monitor.

I also note that your response will be included in a transcript that will be filed in the Court record.

Sincerely,

Marie-Josée Côté
Superior Court of Quebec
Legal Assistant to the Honourable
Jean-François Émond
Commercial Division Coordination
Telephone: 418-263-4020 (IP : 44021)
Email: marie-josee.cote@judex.qc.ca

Palais de justice de Quebec
Office R-353
300 boul. Jean-Lesage
Quebec City, QC G1K 8K6

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-24]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé - Certified translator
CHARLES LEMOYNE
33339

EXHIBIT B

June 15, 2026 Revised Judgment Approving The Restricted Use Undertaking

SUPERIOR COURT

(COMMERCIAL DIVISION)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF FRONTENAC

No.: 235-11-000008-259

DATE: June 15, 2026

PRESIDING: THE HONOURABLE JEAN-FRANÇOIS ÉMOND, S.C.J.

IN THE MATTER OF *THE COMPANIES' CREDITORS ARRANGEMENTS ACT* OF:

ASBESTOS CORPORATION LIMITED

Debtor / Co-applicant

and

CERTAIN UNDERWRITERS AT LLOYD'S, LONDON

and

TENECOM LIMITED

and

THE OCEAN MARINE INSURANCE COMPANY LIMITED

and

NRG VICTORY REINSURANCE LIMITED

and

THE SCOTTISH LION INSURANCE COMPANY LIMITED

CLMI/ Co-applicants

and

RAYMOND CHABOT INC.

Monitor

JE 0144

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17] and

CHARLES FORMAN, trustee for the Delaware Bankruptcy estate of NATIONAL SERVICE INDUSTRIES, INC. et *al.*

Claimants

<u>REVISED</u> JUDGMENT
(On a motion to compel the <u>unconditional</u> disclosure of all internal documents of the debtor)

---

[1] The monitor, with the consent of the debtor Asbestos Corporation Limited ("**ACL**") and the co-applicant insurers Certain Underwriters at Lloyd's, London, Tenecom Limited, The Ocean Marine Insurance Company Limited, NRG Victory Reinsurance Limited and The Scottish Lion Insurance Company Limited et ais("**CLMI**"), has agreed to make ACL's internal documents and records available to its creditors, but has made such access contingent upon the signing of a confidentiality agreement, which is attached as an appendix to this judgment.

[2] To justify the confidentiality agreement, ACL and CLMI argue that in the United States, they are involved in a dispute with claimants regarding the disclosure of these documents. This dispute stems from the *Business Concerns Records Act* ("**BCRA**"),[1] a public policy statute that prohibits the publication outside Quebec of documents relating to a Quebec business concern:

> 1. In this Act, the following definitions apply:
>
> a) "document": any account, balance sheet, statement of receipts and expenditure, profit and loss statement, statement of assets and liabilities, inventory, report and any other written document or record forming part of the files or records of a business concern;
>
> b) "concern": any business concern in Quebec;
>
> c) "requirement": a request, an instruction, an order, a summons or a formal demand.
>
> 2. Subject to section 3, no person may, pursuant to or under any requirement issued by a legislative, judicial or administrative authority outside Quebec, transport or cause to be transported, or send or cause to be sent, from any location in Quebec to a location outside Quebec, any document or summary of a document relating to a business concern.

---

1 *Business Concerns Records Act,* CQLR, c. 0–12.

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé - Certified Translator
CHARLES LEMOYNE
33339

3. The prohibition set out in section 2 does not apply in the case of the transport or sending of a document outside Quebec

a) by an agency, a branch, a legal person or a business entity operating in Quebec to a principal, a head office, an affiliated legal person or business entity, an agency or a branch located outside Quebec in the ordinary course of their business;

b) by or on behalf of a natural or legal person, a partnership, or an unincorporated association doing business in Quebec, in a territory subject to another political jurisdiction in which the sale of securities of that person, partnership or association has been authorized;

c) by or on behalf of such a person, corporation or association conducting business in Quebec as a broker, issuer of securities or vendor as defined in the *Securities Act* (chapter V-1.1), in a territory subject to another political jurisdiction in which such person, corporation or association has been registered or otherwise authorized to conduct business as a broker, issuer of securities or vendor, as the case may be;

d) when such transport or sending out is authorized by a law of Quebec or of the Parliament of Canada, within their respective jurisdictions.

4. Where there is reason to believe that a requirement has been or is likely to be made for the transport or sending outside Quebec of a document relating to a business concern, the Attorney General may apply to a judge of the Court of Quebec, in the judicial district where the business concern in question is located, for an order requiring any person, whether or not named in the requirement, to provide an undertaking or security to ensure that they will not transport or send out of Quebec the document mentioned in the said requirement.

In case of urgency, the application may be filed and presented to the judge without prior service. The judge may however order that service be made within such time, in such manner and on such conditions as the judge deems appropriate.

Any person with an interest in a business concern may exercise the rights set forth in this section.

5. Any person who, having received notice of an application to a judge of the Court of Quebec under section 4, infringes the provisions of section 2 and is guilty of contempt of court.

Any person who has provided, or who has been ordered by the judge to provide, an undertaking or security and who infringes the provisions of section 2 is guilty of contempt of court, in addition to any obligation stipulated in the undertaking or security provided or ordered by the judge.

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé · Certified Translator
CHARLES LEMOYNE
33339

[3] In a judgment rendered on July 30, 2025,[2] the Court describes the nature of the debate regarding the disclosure of these internal documents and, in particular, why this debate led the debtor and CLMI to rely on the CCAA. It is appropriate to set out the relevant excerpts from this judgment:

> [16] On July 10 and 19, 2023, a South Carolina court (Court of Common Pleas of Richland County) rendered two judgments against ACL in the *Tibbs v. 3M* case, which involves numerous companies that mined or processed asbestos fibres, or that distributed or sold products containing them. The first judgment ordered that an ACL representative be questioned and produce certain requested documents; the second ruled that, should the company refuse to comply, it would be held in contempt of court:
>
>> Asbestos Corporation, Ltd. ("ACL") is a defendant in the above referenced matter. On July 10, 2023, this Court, in open court ordered ACL to fully answer discovery and appear for a deposition so that this matter could be prepared for trial. On July 19, 2023, this Court entered an Order stating: "Failure to answer the Court ordered discovery and to provide a corporate representative for deposition shall result in ACL being held in contempt.
>
> [17] Following these judgments, in a context that the evidence does not clearly establish, counsel for Tibbs requested that ACL produce certain documents relating to the debtor. Despite the order dated July 10, 2023, ACL refuses to produce them. ACL's objection relies on the *Business Concerns Records Act* ("BCRA"), a public policy statute that prohibits the publication outside Quebec of documents relating to a Quebec business concern, including any account, balance sheet, statement of receipts and expenditure, profit and loss statement, statement of assets and liabilities, inventory, report and any other written document or record forming part of its files or records, even in response to a requirement (request, instruction, order, summons or formal demand) from a foreign legislative, judicial or administrative authority. Sections 1 to 5 of the BCRA read as follows:
>
> [...]
>
> [18] In fact, ACL's objection based on the BCRA, a law to which ACL remains subject as a corporation with its head office, assets and operations in Quebec, will be severely sanctioned.
>
> [19] Indeed, in light of this objection, Tibbs asks the Court of Common Pleas to find ACL guilty of contempt, preclude it from filing a defence, and appoint a receiver to act on its behalf in all proceedings brought against it in the United States by persons alleging asbestos-related pulmonary diseases.
>
> [20] On September 8, 2023, in two separate judgments, the SC Court of Common Pleas granted these requests.

---

2 *Arrangement relating to Asbestos Corporation Limited,* 2025 QCCS 2715.

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé - Certified Translator
CHARLES LEMOYNE
33339

[21] In its initial judgment, the Court of Common Pleas found that ACL had knowingly refused to comply with its order dated July 10, 2023, and, in so doing, was in contempt of court. The Court of Common Pleas sanctioned this contempt by precluding ACL from defending itself:

> Here there is no dispute that ACL has violated this Court's orders. Moreover, ACL has indicated that it does not intend ta comply with those orders in the future. In light of ACL' position, this Court has no choice but ta find ACL in contempt of court. ACL has failed ta produce a witness. ACL has refused ta participate in meaningful discovery. It has refused ta produce documents. Given this intentional and willful refusai ta participate in discovery, the Court hereby strikes ACL's pleadings.

IT IS SO ORDERED.

[22] In its second judgment, the Court of Common Pleas appointed lawyer Peter Protopapas to act as receiver for ACL’s assets in all legal proceedings in the United States in which the company is being sued by victims of respiratory diseases caused by asbestos. In order to enable the receiver to carry out his duties, the Court grants him extraordinary powers, including the power to administer the insurance policies covering ACL, to determine the extent of its insurance coverage, to manage ACL’s defence in all proceedings in the United States, to appoint counsel to represent ACL, and to have sole discretion to decide whether it is appropriate to file a defence or to reach settlements:

> As set forth above, the powers afforded ta the receiver here are all related ta the insurance assets of ACL. Therefore, this Court hereby orders that Peter Protopapas be and hereby is appointed Receiver in this case with the power and authority fully administer all insurance assets of Asbestos Corporation, Ltd. and any subsidiaries, accept service on behalf of ACL, engage counsel on behalf of ACL, ta assume contrai of the defense of asbestos claims made against ACL in the United States, and take any and all steps necessary ta protect the interests of ACL whatever they may be. This order includes the right and obligation ta administer any insurance or indemnification assets of ACL as well as any claims related ta the actions or failure ta act of ACL insurance carriers or other entities, including, but not limited ta the officers, directors and/or shareholders of ACL against which the ACL may have claims.
>
> In addition ta the powers of the Receiver set forth herein, the Receiver shall have the following rights, powers and authority, insofar as they are related ta the discovery of and recovery of insurance assets, ta: 1) open any mail which is reasonably believed ta contain information relating ta insurance assets addressed ta the defendant and addressed ta any business owned by the ACL; redirect the delivery of any such mail addressed ta the ACL or any business of the ACL, sa that such mail may corne directly ta the receiver; 2) endorse and cash all checks and negotiable instruments payable ta ACL relating ta insurance assets; 3) obtain from any financial institution, bank, credit union, savings and loan or title, credit bureau or any other third party, any financial records belonging ta or pertaining ta the insurance assets of ACL; 4) hire any persan necessary ta accomplish any right or power under this Orcier; 5) to assume contrai of the defense of asbestos claims made against ACL in the United

States: and 6) take ail action necessary to gain access to all storage facilities, safety-deposit boxes, real property, and leased premises wherein any property of ACL may be situated, and to review and obtain copies of ail documents related to insurance assets of ACL.

The Court expects the Receiver to investigate the existence of all insurance or indemnifications coverages or claims relating thereto which are potentiaily available to ACL. The Receiver will provide potential insurers or indemnifiers with lists of work sites, contractors, and insurance brokers and agents to facilitate the insurers' searches for coverage (specifically including coverage provided to any related or subsidiary companies of ACL or any entity for whom ACL did work or supplied materials or licensed products or the use thereof as an "additional insured" under coverage written to another entity). The Court expects ail insurers or indemnifiers to comply with subpoenas issued by this Court and its Receiver in effectuating these thorough searches.

This Court notes that under the Sarton doctrine, suit against the Receiver outside of this Courtis expressly prohibited.

CONCLUSION

For the foregoing reasons, the appointment of a receiver for ACL to marshal ail of the available insurance assets, including claims related thereto and any other property subject to this receivership of ACL and its subsidiaries, successors, and assigns, is appropriate. Moreover, the Court authorizes Mr. Protopapas to assume the contrai of the defense of all litigation matters pending in the United States against ACL. Peter Protopapas is hereby appointed the receiver over ACL consistent with this order.

IT **IS SO ORDERED.**

[Emphasis added by the Court]

[23] In light of this judgment, which would appear unusual to a court rooted in the Canadian (or British) legal tradition, it is understood that ACL's defence in the proceedings brought against it in the United States becomes considerably more complex, if not seriously compromised.

[24] In fact, the judgment by the Court of Common Pleas appointing Protopapas to decide alone on ACL's defence in the proceedings brought against it in the United States sets off a race to the courthouse.

[25] The opposing party, Forman, in his capacity as bankruptcy trustee representing the estate of National Service Industries Inc. ("**NSI**"), is involved in the proceedings. On November 14, 2024, Forman initiated proceedings against ACL in the Court of Common Pleas, County of Richland, South Carolina, claiming more than US$151,000,000.

[26] In addition to these significant proceedings initiated by Forman, default judgments have been or are about to be entered against ACL on the basis that it is relying on the BCRA to refuse to produce certain requested corporate documents.

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé • Certified Translator
CHARLES LEMOYNE
33339

> [27] For example, on January 29, 2025, in the *Kotzerke v. 3M Co.* case before the Washington State Superior Courts, ACL was ordered to pay a penalty of $US68,000. Then, on March 3, 2025, in the same matter, ACL was precluded from filing a defence, which led, on March 18 of that year, to a default judgment ordering ACL to pay US$16,219,398.25.
>
> [28] In another matter pending before the Superior Court of Los Angeles County, ACL's objection to producing corporate documents concerning it under the BCRA is likewise severely sanctioned. As in the *Kotzerke* v. *3M Co.* case, ACL faces an order of foreclosure and the possibility of a default judgment ordering it to pay US$20,000,000.
>
> [29] Furthermore, as a result of the appointment of receiver Protopapas, the proceedings initiated by Forman, and the disproportionate default judgments rendered against it, all of which have exacerbated an already difficult situation that has persisted for 30 years, ACL and its insurers CLMI are left with no alternative. Fearing that this situation will repeat itself and worsen across the United States, they have jointly decided to rely on the CCAA and Chapter 15 of the *U.S. Bankruptcy Code* ("Chapter 15").
>
> (Citations omitted)

[4] In short, through the confidentiality agreement, ACL and CLMI seek to ensure that their obligations under the BCRA are not compromised in the event that the restructuring process they have initiated under the CCAA does not result in a viable arrangement to resolve the claims of victims of asbestos-related diseases in the United States.

*

[5] The applicants, three United States law firms representing 248 victims of asbestos-related diseases, who are potential claimants in the proceedings initiated by ACL and CLMI under the CCAA, oppose any access to the company's internal documents and records being made subject to a confidentiality agreement. They submit that the confidentiality of such documents is already protected under the principles set out in *Lac d'Amiante*[3].

[6] In the context of this case, which concerns a cross-border restructuring likely to affect the rights of ACL and the co-applicants in the United States, and given that access to ACL's internal documents is available to all claimants who agree to sign the confidentiality agreement, a condition that causes them no demonstrable prejudice, the Court finds it necessary to dismiss the claimants' request.

[7] While it is true that in the *Lac d'Amiante* decision, the Supreme Court recognized that statements made during discovery were subject to an implied obligation of

3 *Lac d'Amiante du Quebec Ltee* c. *2858-0702 Quebec Inc.,* 2001 CSC 51.

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé · Certified translator
CHARLES LEMOYNE
33339

confidentiality until the trial, it is generally acknowledged that this rule of implied confidentiality ceases to apply once the documents are produced at trial. Moreover, it is far from certain that internal documents are protected in the United States by the rule of implied confidentiality as defined in the *Lac d'Amiante* decision. On this point, Justice Lebel writes:

> 61 It should be noted that this implied obligation of confidentiality does not appear to exist in the United States. Consequently, under U.S. law, the use of documents obtained during discovery is not limited to the litigation in which the discovery took place. A party is entitled to disclose or use such documents for other purposes, unless the party that produced them has obtained a specific court order prohibiting such use of those documents. (See C. A. Wright, A. R. Miller and R. L. Marcus, Federal Practice and Procedure [2nd ed. 1994], vol. 8, p. 542–556.)

[8] Accordingly, in the absence of a confidentiality agreement, claimants who obtained access to ACL's internal documents could use them as they see fit in the proceedings in the United States, thereby preventing ACL from objecting to their disclosure under the BCRA.

[9] The Court is unaware of the content of ACL's internal documents in question. However, at this stage, what is important is that these documents be accessible to the claimants and that they may be used in proceedings initiated under the CCAA possibly with certain measures in place to preserve their confidentiality and prevent their publication, if necessary.

[10] Accordingly, the Court finds that the confidentiality requirement imposed by the debtor, ACL, and the co-defendants, CLMI, is reasonable in the present circumstances. The applicants suffer no prejudice as a result of this requirement. What is essential is that they be granted access to all of ACL's internal documents.

[11] Should the use of these documents and the information they contain become necessary, the Court will determine the appropriate measures to ensure that they remain accessible and confidential.

FOR THESE REASONS, THE COURT HEREBY:

[12] **DISMISSES** the applicants' motion to compel the unconditional disclosure of all internal documents of the debtor, Asbestos Corporation Limited;

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
Traducteur agréé · Certified Translator
CHARLES LEMOYNE
33339

[13] **WITH COSTS.**

[SIGNATURE]
JEAN-FRANCOIS ÉMOND, S.C.J.

Hearing date: May 22, 2026

[I certify the above to be an accurate translation of the original French. Translated by Charles LeMoyne, C. Tr., member (no. 33339) of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ), 2026-06-17]

ORDRE DES TRADUCTEURS, TERMINOLOGUES ET INTERPRÈTES AGRÉÉS DU QUÉBEC
traducteur agréé · Certified translator
CHARLES LEMOYNE
33339

SCHEDULES

**CONFIDENTIALITY AND RESTRICTED USE
OF PROTECTED INFORMATION UNDERTAKING
[Claimant Form]**

BY ____(the **"Recipient",** a Claimant in the Insolvency Proceedings (as such term is defined below))

WHEREAS Asbestos Corporation Limited **("ACL"),** a Quebec corporation, is the object of insolvency proceedings under the Companies' Creditors Arrangement Act **("CCAA")** before the Superior Court of Quebec (Commercial Division), Judicial District of Frontenac (the **"Canadian Court")** in court docket number 235-11-000008-259 (the **"CCAA Proceedings");**

WHEREAS the Canadian Court, in accordance with the CCAA, has appointed Raymond Chabot Inc. to act as the independent court-appointed Monitor **("Monitor")** as part of the CCAA Proceedings;

WHEREAS proceedings ancillary to the CCAA Proceedings have been commenced in the United States pursuant to Chapter 15 of the U.S. Bankruptcy Code before the United States Bankruptcy Court, Southern District of New York (the **"U.S. Court")** in case no. 25-10934 (MG) (the **"U.S. Proceedings",** and together with the CCAA Proceedings, the **"Insolvency Proceedings");**

WHEREAS, on January 6, 2026, the Canadian Court issued Orders (I) Establishing a Bar Date for Existing Asbestos Claims, (II), Approving the Proof of Claim Form, and (III) Approving Notice to Claimants (as such order was rectified on January 7, 2026) (the **"Existing Asbestos Claims Bar Date Order")** as part of the CCAA Proceedings;

WHEREAS the Monitor undertook, with the consent of ACL, to render available to potential claimants certain information relating to the historical sales of ACL in the U.S. and in Canada;

WHEREAS the Monitor prepared a summary of the sales of asbestos by ACL in the U.S. which include the client names, cities, States or provinces and total sales figures (in tons and in dollars) from 1955 to 1985, and a summary for the sales of asbestos by ACL in Canada from 1960 to 1980 (collectively, the **"Summaries of Asbestos Sales");**

WHEREAS on January 9, 2026, the Monitor published the Summaries of Asbestos Sales on its website for such summaries to be available to potential claimants for the sole purpose of evaluating or advancing their position in the Insolvency Proceedings, including for the completion of a proof of claim pursuant to the Existing Asbestos Claims Bar Date Order;

WHEREAS the Monitor further advised that (i) the annual sales registers from 1955 to 1985 (U.S.) and from 1960 to 1980 (Canada), which include shipment years, tons, client names (including cities and State or province) and fiber grades, are available electronically (the **"Other Documents Available Electronically")** and that (ii) the sales registers for other years (namely, from 1932 to 1952 in the U.S., and from 1932 to 1959 (other than 1953 and 1954) in Canada, and certain other sales registers for 1982 and 1983 in Canada and the U.S. were located physically in a warehouse on ACL's premises in Thetford Mines, Quebec, and have now been digitized (collectively with the Other Documents Available Electronically, the **"Other Information");**

WHEREAS the Other Information is available on the Virtual Data Room (as defined hereunder);

WHEREAS, because ACL and the Monitor contend that the Other Information constitutes confidential and protected information of ACL which should not be used by the Recipient for other purposes than the Insolvency Proceedings, ACL and the Monitor require the Recipient to first sign this Confidentiality and Restricted Use of Protected Information Undertaking (the **"Undertaking")** prior to its disclosure;

THEREFORE, the Recipient agrees as follows:

Definitions

1. For the purposes of this Undertaking, the following terms have the following meaning:

   a. **"Claimant"** means an individual claimant, any bankruptcy trustee, court officer or representative of the court, who has a purported claim against ACL;

   b. **"Protected Information"** means all information provided or made available by the Monitor solely and exclusively as part of the Insolvency Proceedings, including the Summaries of Asbestos Sales, the Other Information and all information pertaining to the sales of ACL;

   c. **"Restricted Permitted Purpose"** means solely and exclusively evaluating or advancing the Claimant's position in the Insolvency Proceedings, including, but not limited to, the completion of a proof of claim pursuant to the Existing Asbestos Claims Bar Date Order;

   d. **"Virtual Data Room"** means the secure, access-controlled electronic platform established by the Monitor for the storage, hosting, organization and review of the Protected Information, which employs commercially reasonable administrative, technical and physical safeguards, including encryption of information both in transit and at rest, to protect the confidentiality, integrity, security and use of the Protected Information and to restrict access solely to authorized users.

Access to Other Information: Right to Refuse or Revoke Access

2. The Monitor agrees to give the Recipient access to the Virtual Data Room containing the Other Information within three (3) business days following the receipt of this Undertaking signed by the Recipient and acknowledged by the Monitor, and subject to the conditions and terms of this Undertaking.

3. [deleted]

4. The Monitor has the right to refuse, suspend, limit or revoke access by any person to the Virtual Data Room and the Protected Information in case of a breach or threatened breach of this Undertaking, or to preserve the integrity and security and/or maintain the protection and confidentiality of the Protected Information in case of a system breach or dysfunction regarding the Virtual Data Room, or otherwise to comply with applicable law or court order.

Confidentiality and Restricted Permitted Use

5. The Recipient acknowledges that the Protected Information to which the Monitor will grant access in the context of the Insolvency Proceedings is subject to the implied obligation of confidentiality established in the decision *Lac d'Amiante du Quebec Ltee* v. *2858-0702 Quebec inc.,* 2001 SEC 51, and undertakes to handle this information in accordance with the protections and limitations set out in that decision. The Recipient also acknowledges that it understands the confidentiality obligations outlined in *Lac d'Amiante du Quebec Ltee* v. *2858-0702 Quebec inc.,* 2001 SEC 51.

6. The Recipient acknowledges that ACL maintains that the information to which the Monitor will grant access in the context of the Insolvency Proceedings is subject to the restrictions of the *Business Concerns Records Act* and may not be forced to be sent outside Quebec, and that ACL and the Recipient (Claimant) are not renouncing to any rights in this respect, outside of the Insolvency Proceedings.

7. The Recipient undertakes to keep the Protected Information strictly confidential, other than as expressly provided by this Undertaking, and to use it solely and exclusively for the Restricted Permitted Purpose. Without limiting the generality of the foregoing, the Protected Information may not be used in any other litigation, claims process or court proceedings than the Insolvency Proceedings. The Recipient shall not use the Protected Information to develop, support, or influence claims, defenses, strategies, or expert analyses in any other litigation, arbitration, administrative, or regulatory matter, nor for any competitive, commercial, marketing, research, or data mining purposes.

8. Except as expressly permitted herein, the Recipient will not directly or indirectly disclose, publish, allow access to, transmit, or transfer the Protected Information or any portion thereof to any person without ACL's and the Monitor's prior written consent.

Sharing with Counsel and Other Professional Advisor

9. Except as expressly permitted herein, the Protected Information may not be transmitted to any third party. If the Recipient shares the Protected Information with a counsel or other professional advisor, such person must also execute a copy of the the Confidentiality and Restricted Use of Protected Information Undertaking [Law Firm Form] (the **"Law Firm Undertaking"),** directly binding such counsel or other professional advisor to the conditions and terms of the Law Firm Undertaking.

10. The Monitor will maintain a current list of Recipients and authorized individuals and provide it to ACL upon request.

Prior Notice: Court Filings and Sealing of Protected Information

11. Prior to filing any of the Protected Information in the Canadian Court or U.S. Court record or communicating any such Protected Information in connection with or in support of any submissions filed in the Insolvency Proceedings, the Recipient agrees to consult with the Monitor and ACL regarding steps necessary to preserve the confidentiality and restricted use on the record, which may include seeking a sealing order, filing under seal, and/or redaction.

12. For greater certainty, nothing herein shall prevent the Recipient from relying on the Protected Information in his/her/their proof of claim filed in the Insolvency Proceedings, including for the purposes of submitting such proofs of claim to the Monitor. The inclusion of Protected Information in a proof of claim submitted to the Monitor shall not constitute a breach of this Agreement and shall not be subject to the prior notice requirements set forth in paragraph 11, and the confidentiality, protection and restrictions of this Undertaking shall continue to apply to any Protected Information included in a proof of claim.

Legal Process and Compelled Disclosure

13. If the Recipient is requested pursuant to, or required by, applicable law or legal process to disclose the Protected Information or any portion thereof, the Recipient shall, to the extent permitted under applicable law, forthwith (and in any event within five (5) business days of any such request or requirement), provide the Monitor and ACL with written notice of such request or requirement, in order to enable the Monitor or ACL to seek an appropriate protective order or other remedy or to waive compliance with the terms of this Undertaking. The Recipient shall cooperate fully with ACL or the Monitor to seek such a protective order or other remedy. If, notwithstanding such efforts, disclosure is required, the Recipient will disclose only that portion of the Protected Information that it is legally required to disclose and will use reasonable efforts to ensure that such disclosure is afforded protected treatment.

Security Measures

14. The Recipient shall use reasonably prudent methods to maintain the protection of the Protected Information, including by establishing and maintaining industry-standard administrative, technical and physical security measures to safeguard the Protected Information from unauthorized access, use, copying or disclosure.

15. The Recipient shall take reasonable steps to enforce the restriction and protection obligations under this Undertaking and shall reasonably remediate any identified security vulnerabilities.

Incident Notification and Cooperation

16. If the Recipient becomes aware of any unauthorized access, use, or disclosure of the Protected Information, the Recipient shall promptly (and in any event within forty-eight (48) hours) notify AGL and the Monitor in writing and shall cooperate with AGL and the Monitor in every reasonable way to investigate, to help regain possession of the Protected Information, and to prevent further unauthorized use or disclosure, including implementing remedial measures.

Return and Destruction

17. Upon conclusion of the Insolvency Proceedings, the Recipient and any individual where Protected Information was shared in accordance with this Undertaking, shall promptly (i) destroy or return all Protected Information in its possession, if any, and all copies, extracts, summaries, analyses, or other documents based on or incorporating information from the Protected Information, and (ii) certify in writing such destruction or return upon conclusion of the Insolvency Proceedings.

18. Nothing in this Undertaking shall have the effect of obliging the Recipient to return or destroy the Protected Information in contravention of the professional rules governing the retention of their files that apply to them.

Ownership

19. The Protected Information is, and shall remain, the property of AGL. No rights, title, or interest in or to the Protected Information are granted or implied except the limited right to use for the Restricted Permitted Purpose.

No Representation: No Liability

20. This Undertaking does not constitute any representation, warranty or guarantee by the Monitor with respect to the accuracy or completeness of the Protected Information or any portion thereof and the Recipient will not be entitled to rely on the accuracy or completeness of the Protected Information. The Monitor will not be held liable for any errors or omissions in the Protected Information or the use or the results of the use of the Protected Information.

[deleted]

21. [deleted]

22. [deleted]

Term: Survival

23. This Undertaking is effective as of the date signed by the Recipient and shall continue until the conclusion of the Insolvency Proceedings, unless earlier terminated by ACL or the Monitor upon written notice. All confidentiality, protection, non-use, security, and indemnity obligations shall survive termination or conclusion of the Insolvency Proceedings for a period of five (5) years.

Governing Law; Jurisdiction

24. This Undertaking shall be governed by and construed in accordance with the laws of the Province of Quebec. The parties irrevocably submit to the exclusive jurisdiction of the Canadian Court for all matters arising out of or relating to this Undertaking.

Independent Legal Advice

25. The Recipient acknowledges that it has had an opportunity to consult with independent legal counsel of its choice prior to executing this Undertaking and that it enters into this Undertaking knowingly and voluntarily.

Assignment: Entire Agreement: Amendments: Severability: Counterparts

26. The Recipient may not assign, transfer, or delegate any rights or obligations under this Undertaking without the Monitor's and ACL's prior written consent.

27. This Undertaking constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior understandings or agreements, whether written or oral.

28. This Undertaking may be amended only by a written instrument signed by the Recipient, ACL, and the Monitor.

29. If any provision of this Undertaking is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

30. This Undertaking may be executed in counterparts and delivered electronically; each counterpart shall be deemed an original and all counterparts together shall constitute one and the same instrument.

(signatures on following page)

The Recipient has entered into this Undertaking on-------------------------------------- 'in the city and State or province of____________________________

Per: ____________________________________
Name:
Title:
Firm/organization:

Acknowledgement

The Monitor acknowledges having received an executed copy of this Undertaking on ____________________________, in the province of Quebec, Canada.

Raymond Chabot Inc., in its capacity as court-appointed monitor of Asbestos Corporation Limited and not in its personal capacity

Per: ____________________________________
Name:
Title:

CONFIDENTIALITY AND RESTRICTED USE
OF PROTECTED INFORMATION UNDERTAKING
[Law Firm Form]

BY ____ (the **"Recipient",** a law firm acting for the Claimant(s) (as such term is defined below) listed at **Schedule A** hereto, for the purposes of the Insolvency Proceedings (as such term is defined below))

WHEREAS Asbestos Corporation Limited **("ACL"),** a Quebec corporation, is the object of insolvency proceedings under the Companies' Creditors Arrangement Act **("CCAA")** before the Superior Court of Quebec (Commercial Division), Judicial District of Frontenac (the **"Canadian Court")** in court docket number 235-11-000008-259 (the **"CCAA Proceedings");**

WHEREAS the Canadian Court, in accordance with the CCAA, has appointed Raymond Chabot Inc. to act as the independent court-appointed Monitor **("Monitor")** as part of the CCAA Proceedings;

WHEREAS proceedings ancillary to the CCAA Proceedings have been commenced in the United States pursuant to Chapter 15 of the U.S. Bankruptcy Code before the United States Bankruptcy Court, Southern District of New York (the **"U.S. Court")** in case no. 25-10934 (MG) (the **"U.S. Proceedings",** and together with the CCAA Proceedings, the **"Insolvency Proceedings");**

WHEREAS, on January 6, 2026, the Canadian Court issued Orders (I) Establishing a Bar Date for Existing Asbestos Claims, (II), Approving the Proof of Claim Form, and (III) Approving Notice to Claimants (as such order was rectified on January 7, 2026) (the **"Existing Asbestos Claims Bar Date Order")** as part of the CCAA Proceedings;

WHEREAS the Monitor undertook, with the consent of ACL, to render available to potential claimants certain information relating to the historical sales of ACL in the U.S. and in Canada;

WHEREAS the Monitor prepared a summary of the sales of asbestos by ACL in the U.S. which include the client names, cities, States or provinces and total sales figures (in tons and in dollars) from 1955 to 1985, and a summary for the sales of asbestos by ACL in Canada from 1960 to 1980 (collectively, the **"Summaries of Asbestos Sales");**

WHEREAS on January 9, 2026, the Monitor published the Summaries of Asbestos Sales on its website for such summaries to be available to potential claimants for the sole purpose of evaluating or advancing their position in the Insolvency Proceedings, including for the completion of a proof of claim pursuant to the Existing Asbestos Claims Bar Date Order;

WHEREAS the Monitor further advised that (i) the annual sales registers from 1955 to 1985 (U.S.) and from 1960 to 1980 (Canada), which include shipment years, tons, client names (including cities and State or province) and fiber grades, are available electronically (the **"Other Documents Available Electronically")** and that (ii) the sales registers for other years (namely, from 1932 to 1952 in the U.S., and from 1932 to 1959 (other than 1953 and 1954) in Canada, and certain other sales registers for 1982 and 1983 in Canada and the U.S. were located physically in a warehouse on ACL's premises in Thetford Mines, Quebec, and have now been digitized (collectively with the Other Documents Available Electronically, the **"Other Information");**

WHEREAS the Other Information is available on the Virtual Data Room (as defined hereunder);

WHEREAS, because ACL and the Monitor contend that the Other Information constitutes confidential and protected information of ACL which should not be used by the Recipient for other purposes than the Insolvency Proceedings, ACL and the Monitor require the Recipient to first sign this Confidentiality and Restricted Use of Protected Information Undertaking (the **"Undertaking")** prior to its disclosure;

THEREFORE, the Recipient agrees as follows:

Definitions

1. For the purposes of this Undertaking, the following terms have the following meaning:

   a. **"Claimant"** means the individual claimant(s), any bankruptcy trustee, court officer or representative of the court, acting in his capacity as fiduciary to a debtor's estate, that the Recipient represents in **Schedule A** hereto, including for greater certainty any claimants whose claims have not yet been filed or asserted that the Recipient sends in writing to the Monitor to be added as a complement to Schedule A after signing of this Undertaking;

   b. **"Protected Information"** means all information provided or made available by the Monitor solely and exclusively as part of the Insolvency Proceedings, including the Summaries of Asbestos Sales, the Other Information and all information pertaining to the sales of ACL;

   c. **"Restricted Permitted Purpose"** means solely and exclusively evaluating or advancing the Claimant's position in the Insolvency Proceedings, including, but not limited to, the completion of a proof of claim pursuant to the Existing Asbestos Claims Bar Date Order;

   d. **"Virtual Data Room"** means the secure, access-controlled electronic platform established by the Monitor for the storage, hosting, organization and review of the Protected Information, which employs commercially reasonable administrative, technical and physical safeguards, including encryption of information both in transit and at rest, to protect the confidentiality, integrity, security and use of the Protected Information and to restrict access solely to authorized users.

Access to Other Information: Right to Refuse or Revoke Access

2. The Monitor agrees to give the Recipient access to the Virtual Data Room containing the Other Information within three (3) business days following the receipt of this Undertaking signed by the Recipient and acknowledged by the Monitor, and subject to the conditions and terms of this Undertaking.

3. [deleted]

4. The Monitor has the right to refuse, suspend, limit or revoke access by any person to the Virtual Data Room and the Protected Information in case of a breach or threatened breach of this Undertaking, or to preserve the integrity and security and/or maintain the protection and confidentiality of the Protected Information in case of a system breach or dysfunction regarding the Virtual Data Room, or otherwise to comply with applicable law or court order.

Confidentiality and Restricted Permitted Use

5. The Recipient acknowledges that the Protected Information to which the Monitor will grant access in the context of the Insolvency Proceedings is subject to the implied obligation of

confidentiality established in the decision *Lac d'Amiante du Quebec Ltee* v. *2858-0702 Quebec inc.,* 2001 SEC 51, and undertakes to handle this information in accordance with the protections and limitations set out in that decision. The Recipient also acknowledges that it understands the confidentiality obligations outlined in *Lac d'Amiante du Quebec Ltee* v. *2858-0702 Quebec inc.,* 2001 SEC 51.

6. The Recipient acknowledges that ACL maintains that the information to which the Monitor will grant access in the context of the Insolvency Proceedings is subject to the restrictions of the *Business Concerns Records Act* and may not be forced to be sent outside Quebec, and that AGL and the Claimant(s) represented by the Recipient are not renouncing to any rights in this respect, outside of the Insolvency Proceedings.

7. The Recipient undertakes to keep the Protected Information strictly confidential, other than as expressly provided by this Undertaking, and to use it solely and exclusively for the Restricted Permitted Purpose. Without limiting the generality of the foregoing, the Protected Information may not be used in any other litigation, claims process or court proceedings than the Insolvency Proceedings. The Recipient shall not use the Protected Information to develop, support, or influence claims, defenses, strategies, or expert analyses in any other litigation, arbitration, administrative, or regulatory matter, nor for any competitive, commercial, marketing, research, or data mining purposes.

8. Except as expressly permitted herein, the Recipient will not directly or indirectly disclose, publish, allow access to, transmit, or transfer the Protected Information or any portion thereof to any person without ACL's and the Monitor's prior written consent.

<u>Sharing with Clients and Team Members</u>

9. Except as expressly permitted herein, the Protected Information may not be transmitted to any third party. If the Recipient shares the Protected Information with a Claimant listed in Schedule A, that Claimant must also execute a copy of the Confidentiality and Restricted Use of Protected Information Undertaking [Claimant Form] (the **"Claimant Undertaking"),** directly binding the Claimant to the conditions and terms of the Claimant Undertaking.

10. The Recipient may share Protected Information only with its employees (including partners and associates) and professional advisors, including any expert retained by the Recipient or the Claimants in the context of the Insolvency Proceedings, in all cases only if (i) they have a strict need-to-know for the Restricted Permitted Purpose and (ii) they have executed a copy of this Undertaking and the Monitor have signed the acknowledgment of same. The Monitor will maintain a current list of Recipients and authorized individuals and provide it to AGL upon request.

<u>Prior Notice: Court Filings and Sealing of Protected Information</u>

11. Prior to filing any of the Protected Information in the Canadian Court or U.S. Court record or communicating any such Protected Information in connection with or in support of any submissions filed in the Insolvency Proceedings, the Recipient agrees to consult with the Monitor and AGL regarding steps necessary to preserve the confidentiality and restricted use on the record, which may include seeking a sealing order, filing under seal, and/or redaction.

12. For greater certainty, nothing herein shall prevent, the Claimants or the Recipient, on behalf of any Claimant, from relying on the Protected Information in their proofs of claim

filed in the Insolvency Proceedings, including for the purposes of submitting such proofs of claim to the Monitor. The inclusion of Protected Information in a proof of claim submitted to the Monitor shall not constitute a breach of this Agreement and shall not be subject to the prior notice requirements set forth in paragraph 11, and the confidentiality, protection and restrictions of this Undertaking shall continue to apply to any Protected Information included in a proof of claim.

Legal Process and Compelled Disclosure

13. If the Recipient is requested pursuant to, or required by, applicable law or legal process to disclose the Protected Information or any portion thereof, the Recipient shall, to the extent permitted under applicable law, forthwith (and in any event within five (5) business days of any such request or requirement), provide the Monitor and ACL with written notice of such request or requirement, in order to enable the Monitor or ACL to seek an appropriate protective order or other remedy or to waive compliance with the terms of this Undertaking. The Recipient shall cooperate fully with ACL or the Monitor to seek such a protective order or other remedy. If, notwithstanding such efforts, disclosure is required, the Recipient will disclose only that portion of the Protected Information that it is legally required to disclose and will use reasonable efforts to ensure that such disclosure is afforded protected treatment.

Security Measures

14. The Recipient shall use reasonably prudent methods to maintain the protection of the Protected Information, including by establishing and maintaining industry-standard administrative, technical and physical security measures to safeguard the Protected Information from unauthorized access, use, copying or disclosure.

15. The Recipient shall take reasonable steps to enforce the restriction and protection obligations under this Undertaking and shall reasonably remediate any identified security vulnerabilities.

Incident Notification and Cooperation

16. If the Recipient becomes aware of any unauthorized access, use, or disclosure of the Protected Information, the Recipient shall promptly (and in any event within forty-eight (48) hours) notify ACL and the Monitor in writing and shall cooperate with ACL and the Monitor in every reasonable way to investigate, to help regain possession of the Protected Information, and to prevent further unauthorized use or disclosure, including implementing remedial measures.

Return and Destruction

17. Upon conclusion of the Insolvency Proceedings, the Recipient and any individual where Protected Information was shared in accordance with this Undertaking, shall promptly (i) destroy or return all Protected Information in its possession, if any, and all copies, extracts, summaries, analyses, or other documents based on or incorporating information from the Protected Information, and (ii) certify in writing such destruction or return upon conclusion of the Insolvency Proceedings.

18. Nothing in this Undertaking shall have the effect of obliging the Recipient to return or destroy the Protected Information in contravention of the professional rules governing the retention of their files that apply to them.

Ownership

19. The Protected Information is, and shall remain, the property of ACL. No rights, title, or interest in or to the Protected Information are granted or implied except the limited right to use for the Restricted Permitted Purpose.

No Representation: No Liability

20. This Undertaking does not constitute any representation, warranty or guarantee by the Monitor with respect to the accuracy or completeness of the Protected Information or any portion thereof and the Recipient will not be entitled to rely on the accuracy or completeness of the Protected Information. The Monitor will not be held liable for any errors or omissions in the Protected Information or the use or the results of the use of the Protected Information.

[deleted]

21. [deleted]

22. [deleted]

Term: Survival

23. This Undertaking is effective as of the date signed by the Recipient and shall continue until the conclusion of the Insolvency Proceedings, unless earlier terminated by ACL or the Monitor upon written notice. All confidentiality, protection, non-use, security, and indemnity obligations shall survive termination or conclusion of the Insolvency Proceedings for a period of five (5) years.

Governing Law: Jurisdiction

24. This Undertaking shall be governed by and construed in accordance with the laws of the Province of Quebec. The parties irrevocably submit to the exclusive jurisdiction of the Canadian Court for all matters arising out of or relating to this Undertaking.

Assignment: Entire Agreement: Amendments: Severability: Counterparts

25. The Recipient may not assign, transfer, or delegate any rights or obligations under this Undertaking without the Monitor's and ACL's prior written consent.

26. This Undertaking constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior understandings or agreements, whether written or oral.

27. This Undertaking may be amended only by a written instrument signed by the Recipient, ACL, and the Monitor.

28. If any provision of this Undertaking is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

29. This Undertaking may be executed in counterparts and delivered electronically; each counterpart shall be deemed an original and all counterparts together shall constitute one and the same instrument.

(signatures on following page)

The Recipient has entered into this Undertaking on--------------------------------------'in the city and State or province of ___________________________

Per: ____
Name:
Title:
Firm/organization:

Acknowledgement

The Monitor acknowledges having received an executed copy of this Undertaking on ______________________________,in the province of Quebec, Canada.

Raymond Chabot Inc., in its capacity as court-appointed monitor of Asbestos Corporation Limited and not in its personal capacity

Per: ____
Name:
Title:

SCHEDULE A

LIST OF CLAIMANT(S) REPRESENTED BY THE RECIPIENT

[To be filed by the Recipient]

EXHIBIT C

June 19, 2026 Judgment Granting The Asbestos Claims Adjudication Order Application

ASSOCIATION OF TRANSLATORS AND INTERPRETERS OF ONTARIO
ATIO
ASSOCIATION DES TRADUCTEURS ET INTERPRÈTES DE L'ONTARIO

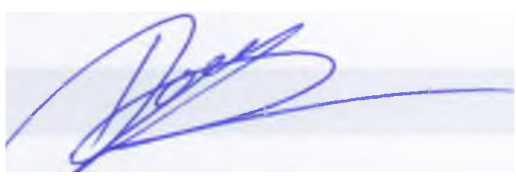
Translator's Declaration

I, the undersigned, Denys Mel, Certified Translator from French to English, member in good standing of the Association of Translators and Interpreters of Ontario, which is a member society of the Canadian Translators, Terminologists, Interpreters Council (CTTIC), hereby declare that I did translate into English the attached French document(s) and that it is, to the best of my knowledge, a true and accurate translation of the French source document(s).

Disclaimer: This statement is to certify the accuracy of the translation only. I do not make any claims or guarantees about the authenticity or content of the original document. Furthermore, I do not assume any liability for the way in which the translation is used by the customer or any third party, including end users of the translation.

List of translated document(s):
235-11-000008-259_2026-06-19_JUG Asbestos Claim Review -Adjudication Order

June 22, 2026



This translation has been digitally signed. To verify the authenticity of this document, visit https://verify.atio.on.ca OR scan the QR code.

Note: The original source file contains text in both French and English. Only the French text has been translated. The original English text has been left unchanged.

Denys Mel
certified translator

Association of Translators and Interpreters of Ontario
FR-EN
Certified Translator
atio
Denys Mel
6955

Digitally signed by
Denys Mel
Date: 2026-06-22 3:42 AM
Verification Code:
Aep=Wjaxy4=xrk=bdi

Page 1 of 48
Verify this document at
verify.atio.on.ca

SUPERIOR COURT

(COMMERCIAL DIVISION)

CANADA
PROVINCE OF QUEBEC
FRONTENAC DISTRICT

No: 235-11-000008-259

DATE: June 19, 2026

UNDER THE CHAIR OF THE HONORABLE JEAN-FRANÇOIS ÉMOND, J.S.C.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C., 1985, C. C-36, OF:

ASBESTOS CORPORATION LIMITED
Debtor / Co-Applicant

and

CERTAIN UNDERWRITERS AT LLOYD'S, LONDON

and
TENECOM LIMITED
and
THE OCEAN MARINE INSURANCE COMPANY LIMITED
and
NRG VICTORY REINSURANCE LIMITED
and
THE SCOTTISH LION INSURANCE COMPANY LIMITED
CLMI / Co-Applicants
and
RAYMOND CHABOT INC.
Monitor
and
CHARLES FORMAN, AS TRUSTEE FOR THE DELAWARE BANKRUPTCY ESTATE OF NATIONAL SERVICE INDUSTRIES, INC.
and
WEITZ & LUXENBERG P.C.
and
DEAN OMAR BRANHAM SHIRLEY LLP
and

JE 0144

BRAYTON PURCELL LLP
Opposing Parties

JUDGMENT
**(*On the Application for an Asbestos Claims Review and Adjudication Order)*
(Asbestos Claim Review and Adjudication Order)**

Background

[1] This judgment follows the judgment rendered on June 10, which authorized the Opposing Parties, a bankruptcy trustee and three U.S. law firms representing victims of asbestos-related diseases (the "Victims"), to file an expert report to respond to that of the expert Plancich, in which she proposes a valuation matrix for the damages sustained by the Victims. This judgment was rendered following the four-day hearing on the application for an Asbestos Claims Review and Adjudication Order brought by the Debtor, Asbestos Corporation Limited ("**ACL**"), certain of its insurers, Certain Underwriters at Lloyd's, London, Tenecom Limited, The Ocean Marine Insurance Company Limited, NRG Victory Reinsurance Limited and The Scottish Lion Insurance Company Limited et al. ("**CLMI**").[1] To frame the debate concerning the valuation matrix developed by the expert Plancich, it is useful to recall that, in the Asbestos Claims Review and Adjudication Order, ACL and CLMI, with the support of the Monitor, seek authorization to use that valuation matrix.

[2] At the case management conference held on June 18 of this year, the Opposing Parties undertook to file their responding expert report no later than July 11, 2026, so that the debate on the valuation matrix that will be used to analyze and quantify the claims may proceed promptly. In addition, all parties agreed that the valuation matrix selected following that debate will be incorporated into the protocol that will supplement the Asbestos Claims Review and Adjudication Order, rather than into that order itself.

[3] Accordingly, this judgment determines the other grounds of objection advanced by the Opposing Parties with respect to the proposed Asbestos Claims Review and Adjudication Order.

---

1 Hearing held on May 11, 12, 15, and 22, 2026.

Grounds of objection

[4] In addition to their challenge to the valuation matrix developed by the expert Plancich, the Opposing Parties submit that the proposed Adjudication Process is deficient in that:[2]

i. It does not provide that its outcome or any plan of arrangement will be submitted to a vote of the creditors who are Victims of asbestos-related diseases and have a valid Claim;

ii. It provides for neither consultation with, participation by, nor oversight by the claimants and their counsel concerning the manner in which the claims will be processed, evaluated and adjudicated;

iii. It does not provide Claimants with the ability to opt out of the process in order to continue their recourse against ACL's insurers, including the Co-Applicants CLMI;

iv. It does not provide for a transparent valuation procedure containing the rules essential to ensure fair and reasonable treatment of the Claims.

[5] The Opposing Parties submitted an alternative order identifying these deficiencies and adding their suggestions, for example their right to be consulted on the selection of the Claims Officers, the physicians, scientists and other experts to be retained by the Monitor, or with respect to certain procedural formalities, such as the $500 fee that would be charged to those requesting a review of decisions.

[6] In support of the relief sought in that alternative order, the Opposing Parties filed an expert report prepared by the Honorable Melanie L. Cyganowski (Ret.), former judge of the Bankruptcy Court for the Eastern District of New York, whom they also called as a witness. This expert evidence concerns primarily the procedure applicable in trusts created under U.S. insolvency laws (11 U.S.C. 524(g)) to resolve mass claims, namely *Trust Distribution Procedures* ("**TDPs**"). Through that expert evidence, the Opposing Parties seek to demonstrate the lack of transparency and the absence of safeguards in the procedure for the review and valuation of Proofs of Claim under the proposed Claims Review and Adjudication Order and, more broadly, in the CCAA restructuring process, which takes place under the supervision of the Court and the

2 *Outline of argument in support of the written notice of objection and submissions of the asbestos claimants*, para. 2 and paras. 17 to 22 for point (i), paras. 23 to 27 for point (ii), paras. 28 to 45 for point (iii), and paras. 46 to 53 for point (iv).

oversight of an independent monitor, by comparing the proposed distribution procedure with U.S. TDPs:[3]

> 5. The proposed Adjudication Process borrows the form of U.S. trust distribution procedures while omitting the transparency and safeguards that underpin them.

[7] In the same way as the Opposing Parties did with respect to expert Plancich's report, the Debtor ACL and CLMI have requested that the Honorable Cyganowski's report be rejected. They argued that the Honorable Cyganowski could not validly compare the law applicable in Canada because she lacked the necessary knowledge to do so. They also argued that this comparison was unnecessary and was intended solely to discredit the Canadian system.

[8] As with the motion to dismiss the Plancich report, that motion was also dismissed. The Court preferred to hear the testimony of the Honorable Cyganowski in order to assess the probative value of her expert evidence.

[9] That choice proved sound in several respects. The testimony of the Honorable Cyganowski was instructive.

[10] First, it allowed the Court to better understand the TDP regime and to draw lessons from the good practices followed in that regime. Knowledge of what is done elsewhere can always prove useful here, as the CCAA regime grants the Court broad discretion when it is called upon to make tailored orders to respond to applications by stakeholders.

[11] Second, it highlighted certain undeniable advantages of the CCAA regime for resolving so-called mass litigation or claims. The testimony of the Honorable Cyganowski gave the Debtor ACL and CLMI an opportunity to draw the Court's attention to certain weaknesses of the TDP regime, particularly those established to resolve asbestos-related claims. During the cross-examination of the Honorable Cyganowski, ACL and CLMI introduced into evidence warnings from the United States Department of Justice concerning fraud committed in TDPs created to resolve asbestos-related claims (a press release dated June 13, 2018, a letter from the Acting Associate Attorney General to 20 state attorneys general dated September 13, 2018, and another press release dated June 13, 2021).[4] In that letter and those press releases, the Department of Justice explains, in particular, that: (i) since 1988, more than sixty TDPs intended to compensate victims of diseases have been created; (ii) those TDPs have paid compensation of more than US$17.5 billion; and, above all, (iii) those TDPs have given rise to fraudulent claims, in particular because persons claiming to be victims of asbestos-related diseases, or their counsel, were able to file the same claims, sometimes even fictitious claims, in more than one TDP.

---

[3] Outline of argument in support of the written notice of objection and submissions of the asbestos claimants dated May 15, 2026.

[4] Exhibits P-20, P-21 and P-22.

More importantly, in the letter addressed to the attorneys general of 20 states, the Acting Associate Attorney General of the United States Department of Justice explains that this problem is due in particular to the lack of transparency in the operations of TDPs or "*Asbestos Trusts*," to the absence of requirements imposed on those TDPs to keep and publicly report information regarding their administration, and to the absence of court oversight and review, oversight by an independent auditor, and a review process with respect to determinations concerning claims.

[12] In the September 13, 2018 letter (R-22) to state attorneys general, the Acting Associate Attorney General writes the following :

> Dear Attorney General X:
>
> This responds to your letter of November 6, 2017, and those of nineteen other state attorneys general, to Attorney General Sessions regarding potential fraud, abuse, and mismanagement in asbestos trusts. The Department of Justice (Department) greatly appreciates your interest in this matter and agrees that the United States would be well served by a commitment of Department resources to addressing the problems you identified. We are sending identical responses to the other attorneys general who joined your letter.
>
> Since the Bankruptcy Reform Act of 1994 became law, asbestos trusts established under Section 524(g) of the Bankruptcy Code have become an essential mechanism for responding to the unique problems of litigation over asbestos liability. As your letter notes, many companies have established these trusts, creating a streamlined process for victims to receive billions of dollars in compensation. Yet the Department agrees with you, and has explained before, that there is a problematic lack of transparency in the operation and oversight of asbestos trusts. There are no requirements that the trusts publicly report important information regarding their operations. The claims process is conducted without court review and generally is not subject to independent auditing. There is no clear recourse for stakeholders to challenge the claims review process or the administration of the trusts. Bankruptcy courts and the United States Trustees have limited statutory oversight authority following plan confirmation. This lack of oversight and accountability creates opportunities for improper, unfair, or even unlawful conduct that is not easily remedied.
>
> The Department has taken notice of specific instances of potential misconduct regarding asbestos trusts. As you noted, particularly telling are the findings made in In re Garlock Sealing Technologies (Bankr. W.D.N.C. 2014). The bankruptcy court permitted limited discovery into claimants' assertions in other bankruptcy cases. The court concluded that the asbestos claimants had filed inconsistent claims with different trusts-a "startling pattern of misrepresentation" of exposure-and determined that the debtor was liable for less than one-tenth of the $1.3 billion that the plaintiffs claimed was owed.

The potential misuse of an asbestos trust's limited funds can cause wide-ranging harm. Legitimate claimants who are suffering from asbestos-related disease, as well as those not yet diagnosed, may not have the compensation available to them that they need and are owed if the funds have been diluted by improper claims, fraud, or mismanagement. But misconduct may also harm Americans more broadly. Custodians of funds for asbestos treatment that has already been provided through federal or state medical-assistance programs may be required to reimburse such programs on behalf of the claimant. Without sound reporting or oversight of asbestos trusts, federal and state medical-assistance funds may not be properly reimbursed as required by law.

The Department appreciates the efforts of state attorneys general to bring transparency and accountability to asbestos trusts. The Department shares yours concerns, and today we have filed a statement of interest in In re Kaiser Gypsum Co., 16-31602 (W.D.N.C.), a case proposing the establishment of a new asbestos trust. We enclose a copy. As explained more fully therein, the United States has an interest in ensuring that asbestos trusts operate transparently and comply with their obligations under the Medicare Secondary Payer Statute; that claimants are informed of their potential obligation to reimburse the Medicare program; that trust assets are preserved to the greatest extent possible to pay the claims of legitimate asbestos victims; and that trust assets are not dissipated through payment of fraudulent claims, excessive professional fees, or mismanagement. Accordingly, henceforth the United States will object to plans for asbestos trusts that fail to include critical information on how asbestos claims will be evaluated, paid, and reported or that lack sufficient safeguards to prevent fraud and abuse and to ensure that the interests of the United States will be protected.

The Department will continue to look for opportunities to increase the transparency of asbestos trusts and protect the interests of legitimate claimants and the United States. The Department will also investigate conduct related to asbestos trusts that is illegal under federal law. If you or anyone else has information on asbestos trust fraud or mismanagement, the Department welcomes the reporting of that information so that it may pursue all appropriate means under federal law to ensure that asbestos trust operate lawfully and responsibly.

Very truly yours,

Jesse Panuccio

Acting Associate Attorney General

[13] In the press releases (June 2018 and December 2020), the Department of Justice issued the following warnings :

Press Release dated June 13, 2018 (R-21)

"In recent years, alarming evidence has emerged of fraud and mismanagement inside asbestos trusts," said Principal Deputy Associate Attorney General Jesse Panuccio. "Asbestos victims should feel certain that they will receive compensation when they are promised it, but fraudulent claims and mismanagement call that promise into question. In addition, the United States and all who depend on Medicare are harmed when Medicare is not reimbursed for treatment costs that have been paid by trust funds. With today's Statement of Interest, the Department sends a clear message that we will not tolerate fraudulent conduct that cheats asbestos victims and the United States. This is just one action the Department will take to increase the transparency and accountability of asbestos trusts, and we are grateful for the many partners we have in that mission, including the many state attorneys general who have brought attention to this issue. We encourage anyone with information about fraud or mismanagement of asbestos trusts to report it to the Department of Justice."

Congress enacted 11 U.S.C. § 524(g) to create a comprehensive mechanism for addressing injuries caused by asbestos. Under section 524(g) plans, asbestos-related claims may be channeled to a special trust created under the bankruptcy plan of reorganization, which then assumes responsibility for both the defense and payment of those claims. The trusts are managed by trustees, who often must secure support for major decisions from a "trust advisory committee" (TAC), whose members are often the same attorneys who represented asbestos claimants during the bankruptcy. Since 1994, more than 60 such trusts have been established by chapter 11 debtors with asbestos-related liabilities. According to the Government Accountability Office, asbestos bankruptcy trusts paid $17.5 billion from 1988 through 2011, and more recent studies estimate higher amounts.

In recent years, both courts and researchers have expressed growing concern that the trusts, enabled by a lack of oversight or accountability, may be paying fraudulent claims and mismanaging funds. In 2014, the same bankruptcy court in which the United States today filed its statement of interest found a substantial pattern of fraud in another case, In re Garlock Sealing Technologies, LLC, 504 B.R. 71 (Bankr. W.D.N.C. 2014). The court found that, in a sample of 15 civil asbestos cases, in each and every case key evidence about asbestos exposure had been improperly misrepresented or withheld. In three instances, plaintiffs made claims against defendants to whose products they had previously represented they had never been exposed. Similarly, several studies have demonstrated problems caused by the lack of oversight. One study found that, in the study period, people without malignant asbestos injury accounted for 86 percent of all claims made to the trusts and 37 percent of all trust payments. Another found that many of the claim forms submitted by the same claimants and law firms to different trusts contradicted each other. The secrecy with which many trust claims are submitted, allowed, and paid has made it nearly impossible to detect when plaintiffs are seeking a recovery based on misrepresentations.

The United States' Statement of Interest argues that the plans currently on file in this case do not have sufficient safeguards in place to prevent fraud and abuse. The Statement also indicates that the United States will object to any plan that lacks critical provisions to ensure transparency and accountability and to prevent fraudulent claims and mismanagement of the trust funds, including provisions: that require compliance with the Medicare Secondary Payer Statute; that notify claimants of their potential obligation to reimburse Medicare; that prevent excessive administrative costs and attorney contingency fees; that avoid conflicts of interest among members of the TAC; and that prevent payments to those who cannot demonstrate exposure to the defendants' products or who have made inconsistent claims in other asbestos proceedings. The United States is filing this Statement of Interest now to allow the parties sufficient time to address the concerns it raises.

Finally, in addition to filing the Statement of Interest, the Department also responded today to letters from 19 state attorneys general regarding concerns over asbestos trusts.

The Department will continue to look for opportunities to increase the transparency of asbestos trusts and protect the interests of legitimate claimants and the United States. The Department will also investigate conduct related to asbestos trusts that is illegal under federal law. If anyone has information on asbestos trust fraud or mismanagement, the Department welcomes the reporting of that information so that it may pursue all appropriate means under federal law to ensure that asbestos trusts operate lawfully and responsibly.

This matter has been handled by the Department's Civil Division with assistance from the U.S. Trustee Program and the U.S. Attorney's Office for the Western District of North Carolina.

Press Release dated December 28, 2020 (R-20)

The Department of Justice today filed a Statement of Interest in *In re Bestwall LLC* in the U.S. Bankruptcy Court for the Western District of North Carolina. In this bankruptcy case, the debtor Bestwall LLC seeks to establish a trust to resolve its asbestos liabilities pursuant to 11 U.S.C. § 524(g), a provision in the Bankruptcy Code that provides the framework for responding to the unique issues associated with asbestos liability.

As part of the bankruptcy, the court will evaluate the submitted asbestos claims and estimate the amount of the debtor's asbestos liabilities. In order to ensure the accuracy of the estimation, the debtor has asked the court to require asbestos claimants to fill out a questionnaire providing basic information about their claims and to authorize discovery from other asbestos trusts to which claimants have submitted claims. The department's Statement of Interest supports these proposed procedures on the ground that they will further transparency in the evaluation of the submitted asbestos claims and ensure the reliability of the estimation of the debtor's asbestos liabilities.

"It has become increasingly common for claimants' counsel to seek duplicative recoveries from multiple sources by misrepresenting the asbestos products to which claimants were exposed," said Deputy Assistant Attorney General Douglas Smith of the Justice Department's Civil Division. "Such duplicative claiming depletes resources that would otherwise be available to compensate deserving claimants filing claims in the future. Today's Statement of Interest is one of many actions the department has taken over the last several years to encourage greater transparency in asbestos bankruptcy proceedings and prevent fraud."

"In recent years, numerous courts and commentators have recognized that many asbestos claims are based on inaccurate or even fraudulent information," said U.S. Attorney R. Andrew Murray for the Western District of North Carolina. "That lack of transparency in the compensation of asbestos claims has been a significant problem,"

Congress enacted 11 U.S.C. § 524(g) to create a comprehensive mechanism for addressing injuries caused by asbestos. Under section 524(g), asbestos-related claims may be channeled to a special trust created under the bankruptcy plan of reorganization, which then assumes responsibility for both the defense and payment of those claims. The trusts are managed by trustees, who often must secure support for major decisions from a "trust advisory committee," whose members are often the same attorneys who represented asbestos claimants during the bankruptcy. Since 1994, more than 60 such trusts have been established by chapter 11 debtors with asbestos-related liabilities. According to the Government Accountability Office, asbestos bankruptcy trusts paid $17.5 billion from 1988 through 2011, and more recent studies estimate higher amounts.

Both courts and commentators have expressed growing concerns that claims submitted in these bankruptcies may be fraudulent. In 2014, the same bankruptcy court in which the United States today filed its Statement of Interest found a substantial pattern of misrepresentation in another case, In re Garlock Sealing Technologies LLC, 504 B.R. 71 (Bankr. W.D.N.C. 2014). The court found that, in a sample of asbestos claims submitted before the bankruptcy, in each and every case key evidence about asbestos exposure had been misrepresented or withheld. In several instances, plaintiffs made claims against defendants to whose products they had previously represented they had never been exposed. Similarly, several studies have demonstrated problems with claims submitted to asbestos trusts. One study found that, in the study period, people without malignant asbestos injury accounted for 86 percent of all claims made to the trusts and 37 percent of all trust payments. Another found that many of the claim forms submitted by the same claimants and law firms to different trusts contradicted each other. The secrecy with which asbestos claims are processed by asbestos trusts has facilitated the payment of claims that do not deserve compensation and has made it difficult to detect when plaintiffs are seeking a recovery based on inaccurate or fraudulent representations.

Recognizing this problem, 16 states have already passed legislation requiring disclosure of basic information regarding other sources of asbestos compensation as well as the asbestos products to which claimants were exposed.

The United States' Statement of Interest argues that there should be transparency in the estimation of asbestos claims in bankruptcy proceedings in order to prevent fraud and abuse. As the statement explains, courts presiding over asbestos bankruptcy cases increasingly are putting in place procedures requiring claimants to provide basic information documenting their allegations regarding product

> identification (and other elements of their claims) as well as any prior claims they have filed in the courts or with other asbestos trusts. Courts increasingly recognize that such transparency is critical to the fair and efficient resolution of asbestos claims.
>
> Today's filing is part of broader efforts by the department to look for opportunities to increase the transparency of asbestos bankruptcy proceedings and asbestos trusts in order to protect the interests of legitimate claimants and the United States. This includes objecting to bankruptcy plans that lack critical provisions to ensure transparency and accountability and to prevent fraudulent claims and mismanagement of asbestos trust funds, including provisions: that require compliance with the Medicare Secondary Payer Statute that notify claimants of their potential obligation to reimburse Medicare; that prevent excessive administrative costs and attorney contingency fees; that avoid conflicts of interest among members of the trust advisory committee; and that prevent payments to those who cannot demonstrate exposure to the defendants' products or who have made inconsistent claims in other asbestos proceedings.
>
> This matter is being handled by the Justice Department's Civil Division with assistance from the U.S. Trustee Program and the U.S. Attorney's Office for the Western District of North Carolina.

[14] These warnings from the Department of Justice show that TDPs created to resolve mass claims are not free from deficiencies and that those established to resolve asbestos-related claims may have given rise to false and fraudulent claims.

[15] Hence the following findings of the Court:

1. Asbestos-related TDPs suffer from a lack of oversight and transparency in their operations;
2. This lack of oversight and transparency is explained by the fact that: (i) TDPs are not required to provide information relating to their administration or to make it publicly available, as no standard obliges them to do so; (ii) the adjudication process operates outside court review and without the oversight of an independent accountant or auditor; and (iii) TDPs are required to consult advisory committees composed of counsel representing claimants;
3. This lack of review, oversight and transparency has given rise to fraudulent claims;
4. The CCAA regime, when used to resolve mass claims, fills these gaps. It is a public process in which all information is available and archived, and it proceeds under the supervision of the Court and the oversight of a monitor.

[16] As will be seen below in the analysis, these findings matter with respect to certain grounds raised by the opposing parties in support of their alternative order, and taking into account the realities and practices developed by Canadian courts and counsel under the CCAA.

The analysis

[17] In its judgment of July 30, 2025, which maintained and extended the initial order,[5] the Court recalled that section 11 of the CCAA grants it the discretionary authority to make tailored orders to respond to applications by stakeholders.[6] Given the number and breadth of the objections advanced by the Opposing Parties since ACL and CLMI availed themselves of the CCAA,[7] it appears useful to reproduce *in extenso* what was stated at that time:

> ***a. The purposes of the CCAA***
>
> [44] In *Callidus Capital Corp.*, rendered in May 2020, the Supreme Court made a necessary review of the principles governing the CCAA and, more generally, insolvency law in Canada. It recalled the purpose of the CCAA. It explained that, like the two other Canadian statutes dealing with insolvency in Canada, the CCAA pursues remedial objectives whose underlying element is to avoid the social and economic losses resulting from the liquidation of an insolvent company, hence the importance of seeking to maintain its operations so that it may present a plan of arrangement to its creditors and resume its activities. In that sense, the main purpose of the CCAA is to deal efficiently and impartially with the insolvency of a distressed commercial corporation, by preserving or maximizing the value of its assets as much as possible, ensuring fair and equitable treatment of its creditors' claims, and protecting the public interest.
>
> [45] It explained that, to facilitate the achievement of these objectives, the CCAA offers a broad range of tools that allows insolvent companies, with the assistance of a monitor and under the supervision of a judge, to resolve the serious consequences arising from their financial difficulties, whatever their source.
>
> ***b. The role of the supervising judge***
>
> [46] Still in *Callidus Capital Corp.* , the Supreme Court emphasized the importance of the role assumed by the supervising judge in a reorganization process under the CCAA. It highlighted the fact that the CCAA grants the supervising judge "broad" discretionary authority. It stated that this discretionary authority permits the making of tailored orders to address

[5] *Asbestos Corporation Limited (Arrangement re), 2025 QCCS 275.*
[6] *9354-9186 Québec inc. v. Callidus Capital Corp., 2020 SCC 10 (CanLII), [2020] 1 SCR 521.*
[7] *Ibid.*

particular situations that may arise. The Supreme Court points out that the anchor of this discretionary power is found in section 11 of the CCAA, which gives the supervising judge the power to "make any order he considers appropriate." This provision has been repeatedly described in case law as the "driving force" behind the CCAA legislative regime. It reads as follows:

> 11 Despite anything in the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, if an application is made under this Act in respect of a debtor company, the court, on the application of <u>any person interested in the matter</u>, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.
>
> [Emphasis by the Court]

[47] Obviously, like any discretionary power, the power granted to the supervising judge under section 11 of the CCAA is not unlimited.

[48] On the one hand, this discretionary power remains subject to the restrictions specifically provided for in the CCAA. For example, the supervising judge may not prevent a person from demanding payments for the supply of goods or services, the use of leased or licensed property or the provision of any other valuable consideration that occurs after the initial order staying the proceedings[60], order a lender to make new cash advances or credits[61], suspend actions against the directors for guarantees they have given in respect of the company's obligations, or measures in the nature of an injunction against them in respect thereof[62] or suspend any action, suit or other proceeding against the person who has obligations under letters of credit or guarantees relating to the company[63].

[49] On the other hand, this discretionary power is exercised taking into account three considerations: (1) the order sought by the debtor or an interested party must be appropriate and indicated; (2) the debtor or interested party must act in good faith; and (3) the debtor or interested party must exercise due diligence.

[50] The first consideration, that of appropriateness, is satisfied when it is demonstrated that the order sought may further the objectives of the CCAA, for example, by allowing the debtor corporation to present a viable arrangement to its creditors to enable it to resume its operations.

[51] The second consideration, that of good faith, implies that the debtor corporation or interested person seeking an order, as well as the person contesting it, is not acting in bad faith or dishonestly.

[52] The third and final consideration, diligence, presupposes that the debtor or interested party seeking the order, or the party contesting it, is not seeking to obtain, by deception, an advantage that would defeat the objectives of the CCAA and, ultimately, the filing of a plan of arrangement.

With regard to this consideration, the Supreme Court wrote:

> [51] The third consideration of due diligence requires some elaboration. Consistent with the CCAA regime generally, the due diligence consideration discourages parties from sitting on their rights and ensures that creditors do not strategically manoeuver or position themselves to gain an advantage (Lehndorff General Partner Ltd., Re (1993), 17 C.B.R. (3d) 24 (Ont. C.J. (Gen. Div.)), p. 31). The procedures set out in the CCAA rely on negotiations and compromise between the debtor and its stakeholders, as overseen by the supervising judge and the monitor. This necessarily requires that, to the extent possible, those involved in the proceedings be on equal footing and have a clear understanding of their respective rights (see McElcheran, p. 262). A party's failure to participate in CCAA proceedings in a diligent and timely fashion can undermine these procedures and, more generally, the effective functioning of the CCAA regime [...].

[53] In short, when the measure sought by way of an order is not covered by one of the restrictions set out in the CCAA, the supervising judge may grant it if it proves appropriate, given that its implementation may assist the recovery undertaken and favor the filing of a plan of arrangement, and that the debtor or interested party requesting it is acting in good faith and with diligence.

[18] Applications for claims procedure orders, such as the one under review, are among the measures that the Court may put in place under section 11 of the CCAA. Supervising judges regularly grant such orders.[8] These orders are a normal and essential step in a restructuring process such as the one undertaken here.[9]

> [8] Claims procedure orders are routinely granted under the court's general powers under ss. 11 and 12 of the *CCAA.* Claims procedure orders are designed to create processes under which all of the creditors of an applicant and its directors and officers can submit their claims for recognition and valuation. Claims procedures usually involve establishing a method to communicate to potential creditors that there is a process by which they must prove their claims by a specific date. The procedure usually includes an opportunity for the debtor or its representative to review and, if appropriate, contest claims made by creditors. If claims are not agreed upon and cannot be settled by negotiation, then the claims procedure orders may go on to establish an adjudication mechanism in court or, typically in Ontario, by arbitration that is then subject to an appeal to the court. Claims procedure orders will usually also establish a "claims bar date" by which claims must be submitted by creditors.

---

8 *Re Toy " R " US Canada LTD.,* 2018 ONSC 609; *Canwest Global Communications Corp (re)*, 2011 ONSC 2114; *Montreal, Maine & Atlantic Canada Co. (Montreal, Maine & Atlantique Canada Co.) (Arrangement re)*, 2020 QCCS 1064; *Nemaska Lithium Inc. (Arrangement re)*, 500-11- 0619470236, January 29, 2020; *AbitibiBowater inc. (Arrangement re)*, 2010 QCCS 1064.

9 *Re Toy " R " US Canada LTD.*, supra note 8.

> Late claims may not be allowed as it can be necessary to establish a cut off to give accurate numbers for voting and distribution purposes.

[19] Given the broad discretion granted to the supervising judge by section 11 of the CCAA, these orders are, of course, tailored to the particular circumstances of each case, it being understood, however, that in all cases they must seek to improve efficiency, accessibility and certainty and, above all, provide a fair and reasonable review and valuation procedure:[10]

> [14] This is certainly not the first case to use a negative option scheduled claims process like the one proposed here. Creative scheduled claims procedures, like this one, that streamline claims processes, make it easier for all known creditor claims to be recognized and counted, and save significant time and money, are encouraged. Each case must be responsive to its own facts and circumstances. What works in one case may be wholly inapt in another. But in all cases it is appropriate to make efforts to increase efficiency, affordability, and certainty as was done here. […] <u>The overriding concern of the court is to ensure that any claims procedure process is both fair and reasonable.</u> The negative option scheduled claim process proposed in this case meets both touchstones.

*

[20] In this case, the Court finds that the proposed Asbestos Claims Review and Adjudication Order tends to improve efficiency, accessibility and certainty. In addition, it appears to be transparent, fair and reasonable. It will allow several Victims of asbestos-related diseases, many of whom appear to have been waiting for their "day in Court" for more than 20 years, to receive a settlement proposal. The compensation that will be awarded to them under the selected quantum matrix may, in some cases, be lower than what they claim. However, at the end of the process, it will be for them to pronounce on the plan of arrangement proposed to them, it being understood that the Court will have to rule on such plan of arrangement before CLMI or other interested third parties are released from their obligations.

[21] In the Court's view, this conclusion disposes of the great majority of the Opposing Parties' grounds of objection.

[22] Let us review each of these grounds.

*

---

10 *Re Toy " R " US Canada LTD.*, supra note 8; see also: *Laurentian University of Sudbury*, 2021 ONSC 3885; *Steels Industrial Products Ltd.*, 2012 BCSC.

[23] First, with respect to the first ground, namely that the proposed Claims Review and Adjudication Order, its outcome, or a plan of arrangement might not be submitted to a vote of asbestos-victim Claimants: :

> 2. The proposed Adjudication Process [...]
>
> (i) allows the possibility of distribution without a creditor vote and without mutual concessions required by article 2631 C.c.Q., departing from de principle that binding dissenting creditors requires democratic legitimacy through the LACC double majority;
>
> 7. The Monitor and Co-Applicants have expressly acknowledged in open court that a distribution without a plan of arrangement or a creditor vote is a possibility under the proposed Adjudication Process (ex. paragraph 10.1 of the Monitor's Fifth Report).
>
> 8. The proposed claims valuation matrices should therefore be understood as more than merely informational valuation tools as they could eventually become a binding mechanism through which claimants' entitlements will be determined for distribution, and without adequate safeguards and checks, the Adjudication Process could become the means through which claimants' rights are effectively liquidated and compromised.
>
> 9. The Court cannot sanction any process that would eschew the requirement of a creditors' vote. Either the compromise proceeds through a plan and vote, or dissenting creditors must remain free to refuse it and pursue their autonomous rights. If the Co-Applicants want the power to bind dissenters, they must do it in accordance with the CCAA, through a plan, by class, by vote, and by fairness hearing, not by an expedited and summary process which could lead to a distribution without any vote.

[24] The issue of the vote was again addressed at the case management conference of June 18 of this year. In all likelihood, there will be a vote or an approval process concerning the outcome of the claims process or a plan of arrangement, but the preferred approach may vary depending on the number of Claims to be filed. In this context, the concerns expressed by the Opposing Parties are not accepted, at least at this stage of the process.

[25] That said, the Court wishes to reiterate what it has already mentioned to the parties on several occasions. If a potential arrangement or agreement were not subject to the Claimants' approval—as the Opposing Parties fear—it would be difficult to obtain court approval for the arrangement. Above all, this lack of a vote or consultation could prevent the CLMI insurers from being released from their obligations.

[26] Accordingly, the Court considers that the Opposing Parties' concern appears theoretical, at least at this stage.

*

[27] The Opposing Parties' second ground concerns the fact that the Claims Review and Adjudication Order was developed without consultation with the Victims of asbestos-related diseases and/or their counsel:

> 2. The proposed Adjudication Process […]
>
> (ii) was developed without any creditor participation or oversight with respect to the manner in which the claims will be adjudicated and valued.

[28] In this regard, the Opposing Parties draw inspiration from the consultation process that exists under the TDP system in the United States:

> 23. The proposed Adjudication Process was developed entirely without creditor participation. The Application acknowledges that the process was "the culmination of an extensive, comprehensive and in-depth process" led by the Monitor, in consultation with the Debtor and the insurers, but not the claimants whose rights are being determined. The process gives voice to the parties responsible for paying claims, but affords no opportunity for those whose claims are to be paid. It provides no independent creditor participation, no independent creditor oversight, and no transparency mechanisms of the kind that trust distribution process ("TDPs") uniformly use to promote fair and equitable treatment.
>
> 24. The absence of any creditor participation in the design and implementation of the Adjudication Process is not a mere procedural shortcoming: it is a structural deficiency that undermines the legitimacy and fairness of the entire process. Creditors cannot be treated fairly and equally if they have no voice in the process that determines the value and distribution of their claims.
>
> 25. Section 6 of the CCAA provides that a plan may be sanctioned only if approved by a majority in number representing two-thirds in value of creditors present and voting. This provision reflects Parliament's intent that creditors must have a meaningful voice in any process that determines or compromises their rights. The three-part test for judicial sanction requires: (i) that statutory requirements were strictly complied with; (ii) that nothing was done that the CCAA does not authorize; and (iii) that the plan is fair and reasonable.

[29] This ground is likewise not accepted, for at least two reasons.

[30] The first is that the CCAA regime does not provide that creditors must be formally consulted. Nevertheless, this does not mean that they have no right to be heard. On the contrary, the CCAA restructuring process takes place under the supervision of the Court. At each stage, creditors are informed of the applications made by the Debtor and may make their position known. They may also submit their complaints to the Monitor, an independent supervisor. It is therefore incorrect to argue that they are not consulted.

[31] Incidentally, the conduct of the proceedings in this case clearly demonstrates that the regime applicable under the CCAA allows creditors to make their position known. Since the beginning of the proceedings commenced by the Debtor ACL and CLMI, the Opposing Parties have appeared before the Court to contest most of the applications presented. At each of their interventions, their grounds were considered and analyzed. Moreover, the hearing on the application for an Asbestos Claims Review and Adjudication Order gave rise to discussions and debates that led the Debtor ACL and CLMI to amend the proposed order to take into account certain legitimate concerns of the Opposing Parties. It is therefore incorrect to argue that the Asbestos Claims Review and Adjudication Order was developed without Claimants having had the opportunity to make their position known. Those who asked to submit their views were heard. The fact that certain of their objections were not accepted by the Debtor ACL, CLMI, the Monitor or the Court does not mean that they were not heard.

[32] Ultimately, the true consultation will occur following the plebiscite to be held to decide on the proposed plan of arrangement.

[33] The second reason leading the Court to reject this ground is connected to the fact that the consultation mechanism prevailing in TDPs in the United States, the mechanism on which the Opposing Parties rely to advance their ground, raises serious concerns on the part of that country's authorities: :

> The trusts are managed by trustees, who often must secure support for major decisions from a "trust advisory committee," whose members are often the same attorneys who represented asbestos claimants during the bankruptcy.

*

[34] The third ground of objection is based on the absence of an "*opt-out*" or a right to withdraw from the CCAA proceedings: :

> 2. The proposed Adjudication Process [...]
>
> (iii) fails to preserve the claimant's right to opt out and pursue their direct action against the insurers, thereby displacing Quebec's liability insurance regime of absolute public order, articles 2500-2502 C.c.Q., through a non-voted, insurer-designed process;
>
> [...]
>
> The proposed Adjudication Process contemplates the determination and potential compromise of claimants' rights without preserving their ability to opt out and pursue their direct recourse against the insurers in the absence of a vote.

> 29. In light of the possibility that no vote will ever take place, procedural fairness requires that claimants retain a meaningful right to opt out and preserve their autonomous rights of action.
>
> 30. Where rights are determined collectively without direct participation by affected stakeholders, Canadian courts recognize opt-out as the minimum safeguard required to preserve procedural legitimacy.
>
> **A THE RIGHT TO OPT OUT IS A FUNDAMENTAL SAFEGUARD IN ANY CLASS PROCEEDING**
>
> 31. Canadian class action case law, for example, treats opt-out as a substantive right legitimizing collective determination of rights by protecting individual litigation autonomy.

[35] This argument is also inadmissible. Indeed, in the context of a restructuring proceeding under the CCAA, such as the one at issue here, an "*opt-out*" or right of withdrawal is inconsistent with or contrary to the CCAA's underlying philosophy. It is the very essence of the CCAA to allow a business corporation to establish a collective, mandatory, and binding process for all its creditors, provided that a majority of them accept the proposed arrangement.

[36] By advancing this ground, the Opposing Parties attempt to call into question the judgment of July 30, 2025, by which the stay of proceedings was extended for the benefit of the insurers of the Debtor ACL.

[37] It is sufficient here to state that this judgment remains applicable and that, for the time being, nothing justifies revisiting its scope.[11]

[38] As for the judgments cited by the Opposing Parties to complain that the Asbestos Claims Review and Adjudication Order does not provide for an "*opt-out*" allowing claimants to withdraw from the process, they do not apply here, since they were all rendered in the context of class actions, a regime distinct from that which applies under the CCAA.

*

[39] This brings us to the Opposing Parties' fourth and final ground of objection, namely that the procedure for reviewing and valuing Proofs of Claim described in the Asbestos Claims Review and Adjudication Order would be unfair, unreasonable and inadequate:

> 2. The proposed Adjudication Process […]

---

11 *Forman v. Asbestos Corporation Limited*, 2025 QCCA 1229.

(iv) fails to properly valuate and assess claims. Lacking the transparent, rule-bound procedures essential to the fair treatment of all creditors.

[…]

46. The proposed Adjudication Process is deficient in its approach to the valuation of claims. Proper valuation is not merely a procedural formality, it is a precondition to any legitimate claims process under the CCAA and a cornerstone of the equitable treatment of creditors.

47. Section 20(1) of the CCAA establishes the framework for the determination of claims. Where a claim is not admitted by the company, section 20(1)(a)(iii) provides that the amount is to be determined by the court on summary application by the company or the creditor. This provision ensures that claims are valued through a court-approved procedure, not unilaterally by the debtor or its insurers.

48. As the case law illustrates, the requirement of fair treatment of all creditors permeates valuation methods as well.

[…]

52. The proposed Adjudication Process lacks transparent and clearly articulated guidelines governing how claims will be valued, <u>and no protocol has been submitted to the Court</u> nor was it made available to claimants.

53. The Monitor is afforded broad and largely unfettered discretion in determining claim values, the criteria are non-exhaustive and undefined.

54. <u>Without clearly defined and binding valuation criteria and a clear protocol</u>, there is no assurance that similarly situated claimants will be treated equally, and no basis upon which a claimant can meaningfully challenge the assessment of its claim.

[40] Taking into account the fact that a debate will be held to identify the valuation matrix to be applied, and that ACL and CLMI will supplement the Asbestos Claims Review and Adjudication Order with a protocol that will be submitted to the Court for approval, this ground appears premature.

*

[41] In conclusion, the Court considers that the Claims Review and Adjudication Order for Victims of asbestos-related diseases should be issued, with the proposed valuation matrix removed from it and from the schedules. The valuation matrix will be established following the Court's decision after the forthcoming debate on the challenge to the report of the expert Plancich. That matrix will be included in the Protocol to be submitted to the Court for approval.

FOR THESE REASONS, THE COURT:

[42] **GRANTS** the Application;

[43] **DECLARES** that the service and the notice given for the presentation of the Application are proper and sufficient;

[44] **ORDERS** that any prior delay for the presentation of this Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof;

[45] **PERMITS** service of the present *Asbestos Claims Review and Adjudication Order* (the "Asbestos Claims Review and Adjudication Order") at any time and place and by any means whatsoever;

[46] **ISSUES** this Asbestos Claims Review and Adjudication Order divided under the following headings:

- Definitions;
- Review and Determination of Claims;
- Claims Officer;
- Notices and Communications;
- Aid and Assistance of Other Courts;
- General Provisions;

Definitions

[47] **ORDERS** and **DECLARES** that capitalized terms used herein and not otherwise defined shall have, unless otherwise indicated, the following meanings ascribed thereto:

(a) "**Appeal Application**" means a written application that may be delivered after a Claimant has received a Notice of Determination or Disallowance in order to dispute such Notice of Determination or Disallowance and set out, in detail, the grounds of dispute from a Notice of Determination or Disallowance, and which Appeal Application shall be substantially in the form attached hereto as **Schedule "D"**;

(b) "**Claims Bar Date**" means 5:00 p.m. (Eastern Time) on September 10, 2026, as established by the Asbestos Claims Bar Date Order and by the Monitor's Claims Bar Date Certificate, with respect to Existing Asbestos Claims. Future Asbestos Claims are not subject to the Asbestos Claims Bar Date;

(c) "**Asbestos Claims Bar Date Order**" means the Rectified Orders (I) Establishing a Bar Date for Existing Asbestos Claims, (II) Approving the Proof of Claim Form, and (III) Approving Notice to Claimants rendered by the Court on January 6, 2026, and rectified by the Court on January 7, 2026;

(d) "**Business Day**" means a day, other than Saturday, Sunday, or a holiday (as defined in article 61 of the *Interpretation Act*, R.S.Q., c. I-16, as amended), or a day on which commercial banks are required or authorized to close in Québec City, Québec or New York City, New York;

(e) "**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

(f) "**CCAA Proceedings**" means the proceedings in respect of the Debtor before the Court commenced pursuant to the CCAA in court file number 235-11-000008-259;

(g) "**Claim**" means any and all direct or indirect claims, demands, debts, liabilities, actions, right of recovery, right to payment, causes of actions, suits, damages, equitable remedies, obligations, proceedings or remedies of any kind whatsoever, whether at law or in equity, whether asserted or unasserted, contingent, matured or unmatured, liquidated or unliquidated, based on contribution, indemnification, subrogation, reimbursement, alter ego, veil piercing, vicarious liability, or otherwise;

(h) "**Claimant**" means any Person having validly submitted a Proof of Claim pursuant to the Asbestos Claims Bar Date Order, and includes, without limitation, the estate, heirs, beneficiaries, successors, assigns, subrogees, insurers, indemnitors, or representatives of such Person, as well as any trustee, interim receiver, receiver, receiver and manager, liquidator, administrator, monitor, or other Person, having validly submitted a Proof of Claim pursuant to the Asbestos Claims Bar Date Order on behalf of, or in the name or right of, such Person;

(i) "**Claims Officer(s)**" means any individual(s) appointed as claims officer(s) pursuant to the present Asbestos Claims Review and Adjudication Order, and which may include any person considered to be qualified by the Monitor and the Co-Applicants;

(j) "**CLMI**" means Certain Underwriters at Lloyd's, London, and Tenecom Limited (as successor to Winterthur Swiss Insurance Company, formerly known as Accident & Casualty Insurance Company of Winterthur, Switzerland, and to Yasuda Fire and Marine Insurance Company (UK) Limited and now known as Tenecom Ltd.), The Ocean Marine Insurance Company (as successor to liabilities of Commercial Union Assurance Company Limited, The Edinburgh

Assurance Company, The Indemnity Marine Assurance Company Limited, The Northern Assurance Company Limited, The Road Transport & General Insurance Company Limited, United Scottish Insurance Company Limited, and The Victoria Insurance Company Limited), NRG Victory Reinsurance Limited, as successor to liabilities of New London Reinsurance Company Limited, and The Scottish Lion Insurance Company Limited;

(k) "**Co-Applicants**" means the Debtor and CLMI;

(l) "**Court**" means the Superior Court of Quebec (Commercial Division);

(m) "**Debtor**" means Asbestos Corporation Limited;

(n) "**Determination Date**" means May 6, 2025;

(o) "**Dispute Package**" means, with respect to any Disputed Asbestos Claim, a copy of the related Proof of Claim, a copy of the Notice of Determination or Disallowance, and a copy of the Appeal Application;

(p) "**Disputed Asbestos Claim**" means an Existing Asbestos Claim for which a Proof of Claim was filed and for which an Appeal Application has been issued within the prescribed time period to do so after the Monitor has sent the Claimant a Notice of Determination or Disallowance;

(q) "**Existing Asbestos Claim**" means any Claim against the Debtor or General Dynamics, and/or any of their respective predecessors, current or former employees, directors, officers, agents, representatives, assigns, or any of their respective Insurers (as defined below), that (i) has been advanced (including, without limitation, in any outstanding or pending litigation), that could have been advanced or that could be advanced by, on behalf of, or based on actual or alleged harm to, any Person that has been diagnosed with symptoms or injury as of March 6, 2026 (being the date of the Monitor's Bar Date Certificate), and (ii) arises from, is based upon, is related to, or is in any way connected, directly or indirectly to, exposure to asbestos or an asbestos-containing product which was at any time prior to May 6, 2025 (being the Determination Date), distributed, supplied, or sold, or otherwise placed into the stream of commerce, by the Debtor or any of its predecessors or affiliates. For greater certainty, "Existing Asbestos Claim" includes, without limitation, any Claim for personal injury, sickness, disease, death, wrongful death, fear of disease or other injury, medical monitoring, medical expenses, loss of consortium, loss of support, lost wages, lost household service, economic or business loss, indemnity, contribution, reimbursement, subrogation, property damage, punitive or exemplary damages, statutory or regulatory relief, equitable relief, or any other form of damages or remedy whatsoever, provided, however, that an Existing Asbestos Claim shall not include any Future Asbestos Claim;

(r) "**Future Asbestos Claim**" means any Claim of a Person that would otherwise qualify as an Existing Asbestos Claim but for the fact that such Person had not been diagnosed with symptoms or injury as of March 6, 2026 (being the Date of the Monitor's Claim Bar Date Certificate);

(s) "**General Dynamics**" means General Dynamics Corporation, together with its affiliates and any successors;

(t) "**Insurers**" means CLMI and all other insurers of ACL, including, without limitation, those insurers listed in **Schedule "A"** to this Asbestos Claims Review and Adjudication Order;

(u) "**Monitor**" means Raymond Chabot Inc., acting in its capacity as Monitor in the CCAA Proceedings;

(v) "**Monitor's Claims Bar Date Certificate**" means the Monitor's Claims Bar Date Certificate issued by the Monitor on March 6, 2026, in accordance with the Asbestos Claims Bar Date Order, establishing, namely, the Claims Bar Date;

(w) "**Monitor Review and Adjudication Process**" means the review schedule outline at **Schedule "B"** in respect of Existing Asbestos Claims. The Monitor's determination will also be guided by a protocol, which will be submitted by the Monitor for approval by the Court at a later date;

(x) "**Notice of Determination or Disallowance**" means the notice referred to in paragraph [48] hereof, issued by the Monitor to advise a Claimant that the Monitor has determined the amount of its Existing Asbestos Claim or disallowed its Existing Asbestos Claim, as set out in its Proof of Claim, and setting out the reasons for such determination or disallowance, which notice shall be substantially in the form attached hereto as **Schedule "C"**;

(y) "**Person**" means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization without legal personality, joint venture, governmental body or agency, or any other entity or natural person;

(z) "**Participating Insurer**" means any Insurer that has: (i) subscribed to layers of policies that are responsive to Existing Asbestos Claims; and (ii) delivered a written request to the Monitor to receive materials in connection with the adjudication process contemplated under this Asbestos Claims Review and Adjudication Order;

(aa) "**Proof of Claim**" means the form of proof of claim approved by the Court in the Asbestos Claims Bar Date Order, and validly submitted by a Claimant before the Claims Bar Date in accordance with the provisions of the Asbestos Claims Bar Date Order, or otherwise accepted for filing pursuant to further order of the Court; and

(bb) "**Proven Asbestos Claim**" means the monetary amount of an Existing Asbestos Claim which has been finally determined as a valid Claim for voting and distribution purposes in accordance with this Asbestos Claims Review and Adjudication Order and any future order of the Court relating to voting or distribution to the holders of Proven Asbestos Claims;

Review and Determination of Claims

[48] **ORDERS** that the following procedure shall apply where a Claimant submits a Proof of Claim before the Asbestos Claims Bar Date:

(a) the Monitor, in consultation with the Co-Applicants and, as the case may be, with the assistance of any medical, scientific and other experts and legal advisors, shall review each Proof of Claim and all supporting materials in order to determine, in whole or in part, the validity, nature and quantum of the Existing Asbestos Claim, including whether the Existing Asbestos Claim is valid in fact and in law, and may determine or disallow any such Existing Asbestos Claim, in whole or in part, taking into account the Monitor Review and Adjudication Process (Schedule B);

(b) the Monitor shall send the Claimant, and/or its legal counsel, as well as the Co-Applicants and their legal counsels, a Notice of Determination or Disallowance in accordance with paragraph [63] of the present Asbestos Claims Review and Adjudication Order.

(c) a Claimant or a Co-Applicant who receives a Notice of Determination or Disallowance personally or through its legal counsel and wishes to dispute the Notice of Determination or Disallowance, shall, within thirty (30) calendar days after the date on which the Claimant is deemed to receive the Notice of Determination or Disallowance, and in accordance with paragraph [65] of the present Asbestos Claims Review and Adjudication Order, serve a copy of an Appeal Application to the Monitor and the Claimants or Co-Applicants;

(d) if an Appeal Application is not served on the Monitor and the Co-Applicants, within the time period provided for in paragraph [48]**Erreur ! Source du renvoi introuvable.** above, the Claimant and the Co-Applicants shall be deemed to have accepted the determination of the Proof of Claim as set out in the Notice of Determination or Disallowance;

(e) upon being served with an Appeal Application within the prescribed time period, the Monitor may, in its discretion, (i) seek to resolve the Appeal Application consensually, or (ii) notify the Claimant and the Co-Applicants that the adjudication of the Appeal Application and Disputed Asbestos Claim will proceed either before a Claims Officer or the Court;

(f) in accordance with paragraph [48](e), if the Monitor determines that the Appeal Application and the Disputed Asbestos Claim are to be adjudicated before a Claims Officer, the Monitor shall notify the Claimant and the Co-Applicants of that determination and request that the party who filed the Appeal Application pay a CDN$500 deposit to the Monitor within 30 days. Upon payment of such deposit, the Monitor shall deliver a Dispute Package to the Claims Officer. The deposit shall only be refunded to the party who filed the Appeal Application if the Appeal Application is successful. If the Appeal Application is dismissed, discontinued or abandoned, the deposit shall be forfeited and applied against the fees associated with the Asbestos Claims Review Process;

(g) in accordance with paragraph [48](e), if the Monitor determines that the Appeal Application and the Disputed Asbestos Claim are to be adjudicated before the Court, the Monitor shall file a Dispute Package to the Court and no deposit shall be payable under this Asbestos Claims Review and Adjudication Order in connection with such adjudication before the Court; and

(h) where a Claimant or a Co-Applicant files an Appeal Application or where a Claimant, the Monitor or the Co-Applicants appeal a determination made by a Claims Officer in respect of a Disputed Asbestos Claim, the appeal shall be treated as a true appeal on the record and not an appeal *de novo*;

[49] **DECLARES t**hat the Monitor shall have the power and authority to engage, in its discretion, medical, scientific, legal and asbestos-claims related experts to assist the Monitor with the assessment and adjudication of Existing Asbestos Claims;

[50] **DECLARES** that the Monitor shall provide any Participating Insurer or its counsel with copies of all Proofs of Claim, Notices of Determination or Disallowance and Appeal Applications issued or received in respect of any Existing Asbestos Claims in which such Participating Insurer may have any potential exposure and that such Participating Insurer shall be entitled to intervene in any adjudication of such Existing Asbestos Claims pursuant to this Asbestos Claims Review and Adjudication Order in the same manner and to the same extent as a Co-Applicant. For greater certainty, such a Participating Insurer shall be entitled to file an Appeal Application in the same manner and to the same extent as a Co-Applicant;

[51] **DECLARES** that, in the case of a Proof of Claim which includes an Existing Asbestos Claim asserted against General Dynamics, General Dynamics shall (i) be provided with a copy of any such Proof of Claim, (ii) be consulted by the Monitor in the review and determination of such Claim, (iii) receive a copy of any Notice of Determination or Disallowance, Appeal Application and any other notice issued or received hereunder in relation to such Proof of Claim, and (iv) be entitled to participate in any adjudication of such Proof of Claim before a Claims Officer or the Court, and may, in its absolute and sole discretion and at its own expense, appear and make submissions at the hearing before the Claims Officer in respect of such Disputed Asbestos Claim and may submit such materials as General Dynamics deems appropriate in order to assist the Claims Officer or the Court in its determination of the Disputed Asbestos Claim;

[52] **DECLARES** that if Existing Asbestos Claims are asserted against the officers and/or directors of any party, such officers and directors shall have the same rights under this Order as such party with respect to Existing Asbestos Claims asserted against it, including the rights conferred on such party by paragraphs 16, 21, 25, 26 and 27 of this Order;

[53] **DECLARES** that any Claimant may file an expert report relating to the amount of its Existing Asbestos Claim in support of its Proof of Claim, and/or, with the consent of the Monitor, in support of its Appeal Application, if applicable;

Claims Officer

[54] **ORDERS** that the Monitor shall have the power and authority to appoint from time to time one or more individuals to act as a Claims Officer for the purpose of this Asbestos Claims Review and Adjudication Order under such terms as may be agreed between the Monitor and the Claims Officer, including with regards to the Claims Officer's reasonable remuneration;

[55] **ORDERS** that if the Monitor elects to appoint a Claims Officer(s), it shall notify the Court and the Service List at least fourteen (14) days prior to the presentation of an application to seek Court approval of the proposed appointment;

[56] **ORDERS** that upon receipt of a Dispute Package, the Claims Officer shall schedule and conduct a hearing to resolve the Disputed Asbestos Claim and shall, as soon as practicable thereafter, notify the Co-Applicants, the Monitor, the Claimant, General Dynamics (if the applicable Dispute Package is in respect of an Existing Asbestos Claim asserted against General Dynamics) and any intervening Participating Insurer of his or her determination, which determination shall be rendered in writing and shall include reasons;

[57] **ORDERS** that any Claims Officer shall be authorized and empowered to determine any substantive or procedural matter in connection with the adjudication of any Appeal

Application referred to the Claims Officer in accordance with this Asbestos Claims Review and Adjudication Order;

[58] **ORDERS** that where a Claimant, the Monitor, the Co-Applicants, General Dynamics or any intervening Participating Insurer fail to comply with any direction of the Claims Officer or fail to attend a hearing after due notice, the Claims Officer may proceed in the absence of that party and make such determination as the Claims Officer considers just on the basis of the record before him or her;

[59] **ORDERS** that no Claims Officer shall incur any liability or obligation as a result of his or her appointment or the carrying out of the provisions of this Order, save and except for intentional or gross fault or bad faith;

[60] **ORDERS** that a Claims Officer may, with the prior written consent of the applicable Claimant (including through its counsel, if applicable), the Monitor, the Co-Applicants, General Dynamics (if the applicable Appeal Application or Disputed Asbestos Claim, as applicable, is in respect of an Existing Asbestos Claim asserted against General Dynamics), and any intervening Participating Insurers. act as a mediator in respect of any Appeal Application without thereby being disqualified from subsequently adjudicating upon such Appeal Application. All communications, documents, submissions and information exchanged, disclosed or made in the course of any such mediation shall be confidential, without prejudice and subject to settlement privilege, shall be kept separate from the adjudicative record relating to the applicable Appeal Application, and shall not be disclosed to or relied upon by the Court or admitted into evidence in any subsequent adjudication or appeal, except to the extent necessary to enforce any settlement reached through such mediation;

[61] **ORDERS** that a Claims Officer's determination adjudicating an Appeal Application will be final and binding, subject to a right to appeal to the Court by the applicable Claimant, the Monitor, the Co-Applicants, General Dynamics (if the applicable Appeal Application or Disputed Asbestos Claim, as applicable, is in respect of an Existing Asbestos Claim asserted against General Dynamics) and/or any intervening Participating Insurer, through filing an application to the Court within thirty (30) calendar days after notification of the Claims Officer's determination to the applicable Claimant, the Monitor, the Co-Applicants, General Dynamics (if applicable) and/or any intervening Participating Insurer and served on any intervening Participating Insurer, the Co-Applicants, the Monitor, General Dynamics and/or the applicable Claimant, as the case may be. The right to appeal a Claims Officer's determination to the Court shall be limited to questions of law or palpable and overriding error of fact, or to determine whether the Claims Officer exceeded his or her jurisdiction or power, or the procedure provided by this Asbestos Claims Review and Adjudication Order was not followed or the Claims' Officer's determination violates public order;

[62] **ORDERS** that if an appeal to the Court is not filed within the time period outlined in paragraph [61], then the Claims Officer's determination shall, be deemed to be final

and binding on any intervening Participating Insurer, the Co-Applicants, the Monitor, General Dynamics and the Claimant, as applicable, and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Disputed Asbestos Claim;

Notices and Communications

[63] **ORDERS** that except as otherwise specified herein, any document sent by the Monitor, the Co-Applicants or General Dynamics (and its directors and officers) pursuant to this Asbestos Claims Review and Adjudication Order may be sent by email (where permitted), ordinary mail, registered mail or courier. A Claimant shall be deemed to have received any document sent pursuant to this Asbestos Claims Review and Adjudication Order five (5) Business Days after the document is sent by ordinary mail or registered mail and one (1) Business Day after the document is sent by courier or e-mail, with a copy to the Claimant's counsel indicated in its Proof of Claim, if applicable. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage4 of general application;

[64] **PRAYS ACT** of the Monitor's undertaking to send any Claimant a confirmation of receipt by the Monitor of any document provided by a Claimant pursuant to this Asbestos Claims Review and Adjudication Order, upon request;

[65] **ORDERS** that any notice, service or other communication to be given under this Asbestos Claims Review and Adjudication Order by a Claimant to the Monitor, the Co-Applicants, a Participating Insurer or General Dynamics as applicable, shall be in writing in substantially the form provided for in this Asbestos Claims Review and Adjudication Order and will be sufficiently given, or validly filed, only if submitted through one of the following:

a) **If to the Co-Applicants**:

With a copy to:

Asbestos Corporation Limited
C/o Fasken Martineau DuMoulin LLP
800, rue du Square-Victoria
Suite 3500
Montréal, Québec H3C 0B4

By email to:	Me Luc Beliveau (lbeliveau@fasken.com)
By email to:	Me Marc-André Morin (mamorin@fasken.com)
By email to :	Me Éliane Dupéré-Tremblay (edtremblay@fasken.com)

And with a copy to:

CLMI
C/o Stikeman Elliott LLP
1155, boul. René-Lévesque West
Suite 4100
Montréal, Québec H3B 3V2

By email to: Me Guy P. Martel (gmartel@stikeman.com)
By email to: Me Nathalie Nouvet (nnouvet@stikeman.com)

b) **If to the Participating Insurers**

Participating Insurers
C/o Norton Rose Fulbright Canada LLP
1 Place Ville Marie
Suite 2700
Montréal, Québec H3B 1R1

By email to: Me Noah Zucker (noah.zucker@nortonrosefulbright.com)
By email to: Me Evan Cobb (evan.cobb@nortonrosefulbright.com)
By email to: Me Charlotte Dion (charlotte.dion@nortonrosefulbright.com)

c) **If to the Monitor**:

In Canada:

Raymond Chabot Inc.
Attention: Asbestos Corporation Limited
National Bank Tower
600 De La Gauchetière Street West
Suite 2000
Montréal, Québec H3B 4L8

In the U.S.:

Grant Thornton NYC
Attention: Asbestos Corporation Limited
757 Third Ave
9th Floor
New York, NY 10017

By email to: asbestoscorp@rcgt.com

And with a copy to:

McCarthy Tétrault LLP
1000, rue De La Gauchetière Street West
Suite MZ400
Montréal, Québec H3B 0A2

By email to: Me Alain Tardif (atardif@mccarthy.ca)
By email to: Me Jocelyn Perreault (jperreault@mccarthy.ca)
By email to: Me Frédérique Drainville (fdrainville@mccarthy.ca)

d) **If to a Claimant:**

At the Claimant's last known address provided to the Monitor, and if the Claimant has informed the Monitor that it is represented by counsel, to its counsel.

e) **If to General Dynamics**:

In Canada:

Blake, Cassels & Graydon LLP
1 Place Ville Marie
Suite 3000
Suite 2000
Montréal, Québec H3B 4L8

By email to:	Me Sebastien Guy (sebastien.guy@blakes.com)
By email to :	Me Émilie St-Pierre (emilie.st-pierre@blakes.com)
By email to :	Me Youssef Kabbaj (youssef.kabbaj@blakes.com)

Aid and Assistance of Other Courts

[66] **REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body within the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Asbestos Claims Review and Adjudication Order;

General Provisions

[67] **PRAYS ACT** of the Monitor's intention to refer to and use the Monitor Review and Adjudication Process (Schedule B) in the context of its review and adjudication of the Existing Asbestos Claims;

[68] **ORDERS** that the Monitor shall incur no liability or obligation whatsoever arising from or out of in whole or in part any act, omission, duty, responsibility, obligation, dealing or other occurrence in any way connecting to its actions as an officer of the Court carrying out its mandate in the CCAA Proceeding, including without limitation carrying out the provisions of this Asbestos Claims Review and Adjudication Order. The Monitor shall have all of the protections given to it by the CCAA and any other applicable legislation, including pursuant to any other orders the Court has issued or will issue in this CCAA Proceedings;

[69] **ORDERS** that references in this Asbestos Claims Review and Adjudication Order to the singular include the plural, to the plural include the singular and to any gender include the other gender, as necessary and applicable;

[70] **ORDERS** that the Monitor may apply to this Court for advice and direction in connection with the discharge or variation of its powers and duties under this Asbestos Claims Review and Adjudication Order;

[71] **ORDERS** that the Monitor may make any amendments or modifications that are not material to the Schedules without seeking approval of this Court;

[72] **ORDERS** that the Monitor is authorized and empowered to exercise all its powers hereunder;

[73] **THE WHOLE without costs.**

[Signature]

JEAN-FRANÇOIS ÉMOND, J.C.S.

Hearing Date: June 3, 2026

SCHEDULE A

London Market Companies

1. ACCREDITED INSURANCE (EUROPE) LIMITED (AS SUCCESSOR IN INTEREST TO BALTICA-SKANDINAVIA INSURANCE COMPANY)
2. AGEAS INSURANCE LIMITED
3. AGF INTERNATIONAL AMERICAN HOME ASSURANCE COMPANY
4. ARGONAUT NORTHWEST INSURANCE COMPANY
5. ASSICURAZIONI GENERALI S.P.A. UK BRANCH
6. AXA BELGIUM S.A.
7. AXA GLOBAL RISKS PREVIOUSLY AVIA FRANCE
8. AXA INSURANCE PLC
9. AXA INSURANCE UK PLC
10. AXA LIABILITIES MANAGERS UK
11. BALOISE INSURANCE LIMITED, BOTHNIA INTERNATIONAL INSURANCE COMPANY LTD,LA PRESERVATRICE C.A. D'ASSURANCES A.I.R.D.
12. BRITAMCO POOL
13. BRITISH AVIATION INSURANCE COMPANY LIMITED
14. BRITISH RESERVE INSURANCE COMPANY LIMITED
15. CAVELLO BAY REINSURANCE LIMITED (AS SUCCESSOR BY MERGER TO HARPER INSURANCE LTD F/K/A TUREGUM INS CO; AND AS SUCCESSOR IN INTEREST TO BRITTANY INSURANCE COMPANY LIMITED
16. CATALINA WORTHING INSURANCE LTD F/K/A HFPI (AS PART VII TRANSFEREE OF (EXCESS INSURANCE COMPANY LTD AND/OR LONDON & EDINBURGH INSURANCE COMPANY LTD AS SUCCESSOR TO LONDON & EDINBURGH GENERAL INSURANCE COMPANY LTD))
17. CIGNA INSURANCE COMPANY OF EUROPE
18. COMPAGNIE D'ASSURANCES MARITIMES AERIENNES ET TERRESTRES
19. COMPANHIA DE SEGUROS IMPERIO S.A.
20. DARAG DEUTSCHLAND AG, FORMERLY KNOWN AS DARAG DEUTSCHE VERSICHERUNGS-UND RUCKVERSICHERUNGS-AG, AS SUCCESSOR IN INTEREST TO AG INSURANCE SA/NV, FORMERLY KNOWN AS AG DE 1830 COMPAGNIE BELGE
21. EAGLE STAR INSURANCE COMPANY LIMITED
22. ECONOMIC INSURANCE COMPANY LIMITED, NORWICH
23. EIFLOW INSURANCE LTD, AS SUCCESSOR IN INTEREST TO ICAROM PLC (FORMERLY THE INSURANCE CORPORATION OF IRELAND PLC)
24. GENERALI FRANCE ASSURANCES
25. GUARDIAN ROYAL EXCHANGE ASSURANCE PLC
26. HARTFORD FINANCIAL PRODUCTS INTERNATIONAL LTD AS PART VII TRANSFEREE OF LONDON & EDINBURGH INS CO LTD PER THE CF&AU POOL

27. HDI GLOBAL SPECIALTY SE (FORMERLY KNOWN AS INTERNATIONAL INSURANCE COMPANY OF HANNOVER SE)
28. HELVETIA ACCIDENT SWISS INSURANCE COMPANY, ALLIANZ SUISSE INSURANCE COMPANY (FKA HELVETIA-ACCIDENT SWISS INSURANCE COMPANY FKA GEN INS CO HELVETIA LTD)
29. HELVETIA SWISS INSURANCE COMPANY (FKA ALBA GENERAL INSURANCE COMPANY LIMITED), ALLIANZ SUISSE INSURANCE COMPANY (FKA HELVETIA-ACCIDENT SWISS INSURANCE COMPANY), COMPANHIA DE SEGUROS FIDELIDADE SA (FKA FIDELIDADE INSURANCE COMPANY OF LISBON)
30. INSURANCE COMPANY OF NORTH AMERICA LIMITED
31. INSURANCE COMPANY OF NORTH AMERICA (UK) LIMITED
32. LA PRESERVATRICE CA D'ASSURANCES A.I.R.D. PER LENNOX
33. LOMBARD CONTINENTAL INSURANCE PLC
34. LOMBARD ELIZABETHAN INSURANCE PLC
35. LOMBARD INSURANCE COMPANY LIMITED
36. LOMBARD INSURANCE COMPANY (UK) LIMITED
37. LONDON AVIATION INSURANCE GROUP
38. MAAS LLOYD NV SCHADEVERZEKERINGSMAATSCHAPPIJ
39. MERCANTILE INDEMNITY COMPANY LIMTIED (AS SUCCESSOR IN INTEREST TO; i) ALLIANCE ASSURANCE COMPANY LIMITED (AVIATION); ii) BRITISH FIRE INSURANCE COMPANY LIMITED; iii) BRITISH LAW INSURANCE COMPANY LIMITED; iv) LONDON & LANCASHIRE INSURANCE COMPANY LIMITED; v) NORTHERN MARITIME INSURANCE COMPANY LIMITED; vi) PHOENIX ASSURANCE PUBLIC LIMITED COMPANY; AND vii) ROYAL INSURANCE PLC)
40. NATIONAL CASUALTY COMPANY
41. NATIONAL CASUALTY COMPANY OF AMERICA LIMITED
42. NATIONAL CONTINENTAL INSURANCE COMPANY
43. PORTMAN INSURANCE LTD
44. QBE INSURANCE COMPANY (UK) LIMITED
45. RIVERSTONE INSURANCE (UK) LIMITED (AS SUCCESSOR IN INTEREST TO EAGLE STAR INSURANCE COMPANY LTD)
46. RIVERSTONE INSURANCE (UK) LIMITED (AS SUCCESSOR IN INTEREST TO IRON TRADES INSURANCE COMPANY LTD)
47. RIVERSTONE INSURANCE (UK) LIMITED (AS SUCCESSOR IN INTEREST TO SKANDIA UK INSURANCE PLC FOR THEIR PARTICIPATION IN THE ORION POOL)
48. RIVERSTONE INSURANCE (UK) LIMITED (AS SUCCESSOR IN INTEREST TO SPHERE DRAKE INSURANCE LTD)
49. RIVER THAMES INSURANCE COMPANY LIMITED (ON ITS OWN BEHALF AND AS SUCCESSOR IN INTEREST TO; i) UNIONAMERICA INSURANCE COMPANY LIMITED, WHICH IN TURN IS SUCCESSOR TO CERTAIN BUSINESS OF ST. KATHERINE INSURANCE COMPANY PLC; ii) SOUTHERN INSURANCE COMPANY LIMITED; iii) SUMITOMO MARINE AND FIRE INSURANCE COMPANY, LIMITED; AND iv) MARLON INSURANCE COMPANY LIMITED, WHICH IN TURN IS SUCCESSOR TO VESTA (UK) INSURANCE COMPANY LIMITED)

50. ROYAL EXCHANGE ASSURANCE
51. SUECIA RE & MARINE INSURANCE COMPANY LIMITED (FORMERLY HANSA RE & MARINE INSURANCE COMPANY (UK) LIMITED AND HANSA MARINE INSURANCE COMPANY (UK) LIMITED)
52. SWISS RE SPECIALTY (UK) LIMITED FORMERLY KNOWN AS THREADNEEDLE INSURANCE COMPANY LTD
53. THE ANGLO SAXON INSURANCE ASSOCIATION
54. THE BALOISE INSURANCE COMPANY LIMITED
55. THE BRITISH AVIATION INSURANCE COMPANY LIMITED
56. THE DOMINION INSURANCE COMPANY LIMITED
57. THE HOME INSURANCE COMPANY
58. UMA POOL, THE WORLD MARINE & GENERAL INSURANCE COMPANY LTD, THE ROYAL SCOTTISH INSURANCE COMPANY LTD, TRENT INSURANCE COMPANY LTD
59. UNION ASSURANCE DE PARIS
60. WAIG
61. WAIG 3141/05 POOL

Other Insurers

1. ALLIANZ VERSICHERUNGS AG
2. EVANSTON INSURANCE COMPANY
3. EVEREST REINSURANCE COMPANY (F/K/A PRUDENTIAL REINSURANCE COMPANY)
4. FIRST STATE INSURANCE COMPANY
5. HARTFORD ACCIDENT AND INDEMNITY COMPANY
6. NEW ENGLAND REINSURANCE CORPORATION
7. RIUNIONE ADRIATICA DI SICURTA
8. THE NORTH RIVER INSURANCE COMPANY
9. TIG INSURANCE COMPANY (SUCCESSOR BY MERGERS TO INTERNATIONAL SURPLUS LINES INSURANCE COMPANY, INTERNATIONAL INSURANCE COMPANY AND MT. MCKINLEY INSURANCE (F/K/A GIBRALTAR CASUALTY COMPANY))
10. UNITED STATES FIRE INSURANCE COMPANY
11. ZURICH AMERICAN INSURANCE COMPANY

SCHEDULE B
MONITOR REVIEW AND ADJUDICATION PROCESS

Initial Monitor Review

The Monitor will ascertain that the Proof of Claim submitted by a Claimant complies with all procedural requirements in the Asbestos Claims Bar Date Order and is complete.

Eligibility Assessment

The Monitor will assess whether the Claim is eligible for compensation under applicable law, evaluating the legal elements of the Claim and ACL's defenses thereto, and the evidence presented by the Claimant, including but not limited to evidence of exposure to asbestos supplied by ACL, that the underlying illness was attributable to the Debtor's product and medical evidence relating to the alleged disease.

Determination of the Amount of the Proven Asbestos Claim

Upon the determination by the Monitor that the particular Claim under review is eligible for compensation based on applicable law and available evidence and that the underlying illness was attributable to the Debtor's product, the Monitor will then determine the amount of the Proven Asbestos Claim of the Claimant in respect of such Claim, taking into account ACL's settlement history for comparable claims. The Monitor's assessment and determination of the amount of each Proven Asbestos Claim may also take into account a range of other factors, including, for example and without limitation: the Claimant's age; number of dependents; life status; economic loss; duration of exposure; smoking history and severity of disease. The Monitor may take into account information concerning compensation already received by the Claimant from other trusts, settlements or defendants for their disease and the proportionate share of exposure attributable to ACL.

The Monitor's determination will also be guided by a protocol, which will be submitted by the Monitor for approval by the Court at a later date.

SCHEDULE C
NOTICE OF DETERMINATION OR DISALLOWANCE

CANADA PROVINCE OF QUÉBEC DISTRICT OF FRONTENAC No.: 235-11-000008-259	SUPERIOR COURT Commercial Division IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C., 1985, C. C-36, OF: ASBESTOS CORPORATION LIMITED Debtor/Co-Applicant -and- CERTAIN UNDERWRITERS AT LLOYD'S, LONDON -and- TENECOM LIMITED -and- THE OCEAN MARINE INSURANCE COMPANY LIMITED -and- NRG VICTORY REINSURANCE LIMITED -and- THE SCOTTISH LION INSURANCE COMPANY LIMITED CLMI/Co-Applicants -and- RAYMOND CHABOT INC. Monitor

NOTICE OF DETERMINATION OR DISALLOWANCE OF A CLAIM

Particulars of Claimant

Legal Name of Claimant:	
Attention:	
Address:	
Number and Street (line 1):	
Number and Street (line 2):	

City:	
Province / State:	
Postal / Zip Code	
Country:	
Phone Number:	
Email Address:	
Reference number for this Notice:	

(the "**Claimant**")

Reference is made to the Asbestos Claims Review and Adjudication Order issued by the Superior Court of Québec (Commercial Division) (the "**Court**") and dated **[●]**, 2026 (the "**Asbestos Claims Review and Adjudication Order**"). All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Asbestos Claims Review and Adjudication Order.

<u>Determination of Amount of Proven Existing Asbestos Claim or Disallowance</u>

In accordance with the Asbestos Claims Review and Adjudication Order, Raymond Chabot Inc., in its capacity as Monitor of the Debtor, hereby gives you notice that the Monitor, in consultation with the Co-Applicants, has reviewed the Proof of Claim and supporting evidence submitted by the Claimant and has determined (or disallowed) the Claimant's Proof of Claim for the purpose of a distribution to be determined and approved at a later date. The table below (i) identifies the nature of the claim as submitted, (ii) indicates the party or parties against whom a determination of liability has been made, and (iii) states the total amount of the Proven Asbestos Claim as determined. For greater certainty, the amount shown is a single total amount for the claim, even if liability is determined against more than one party.

PARTY(IES) AGAINST WHOM LIABILITY IS DETERMINED	NATURE OF CLAIM AS SUBMITTED (AS PER THE PROOF OF CLAIM)	TOTAL AMOUNT OF PROVEN ASBESTOS CLAIM AS DETERMINED (SINGLE TOTAL AMOUNT FOR THE CLAIM – SEE NOTE BELOW; "NIL" MEANING THAT THE CLAIM IS DISALLOWED)
ACL		
General Dynamics		
Directors and Officers of the Debtor		
Directors and Officers of General Dynamics		
Insurers		

Note: Where liability is determined against more than one party, the same total amount of the Proven Asbestos Claim may appear in more than one row for ease of reference. This repeated amount is the single total Proven Asbestos Claim amount and is not cumulative across rows (i.e., the amounts shown in multiple rows must not be added together).

<u>Grounds for the Determination of Amount of Proven Asbestos Claim or Disallowance</u>

The grounds for the determination of amount or disallowance of the Proof of Claim are as follows:

1) **[●]**

2) **[●]**

If you disagree with this Notice of Determination or Disallowance, you may dispute it by serving an Appeal Application with the Monitor and the Co-Applicants **within thirty (30) calendar days of the deemed date of your receipt of this Notice of Determination or Disallowance** at the following addresses. No deposit is payable when you serve an Appeal Application. A $500 deposit will only be payable if the Monitor later notifies you that the adjudication of the Appeal Application will proceed before a Claims Officer, and such deposit shall only be refunded to you if the Appeal Application is successful. If your Appeal Application is dismissed, discontinued or abandoned after proceeding before a Claims Officer, your deposit shall be forfeited and applied against the fees associated with the Asbestos Claims Review process.

a) **To the Co-Applicants**:

With a copy to:

Asbestos Corporation Limited
C/o Fasken Martineau DuMoulin LLP
800, rue du Square-Victoria
Suite 3500
Montréal, Québec H3C 0B4

By email to: Me Luc Beliveau (lbeliveau@fasken.com)
By email to: Me Marc-André Morin (mamorin@fasken.com)
By email to : Me Éliane Dupéré-Tremblay (edtremblay@fasken.com

And with a copy to:

CLMI
C/o Stikeman Elliott LLP
1155, boul. René-Lévesque West
Suite 4100
Montréal, Québec H3B 3V2

By email to: Me Guy P. Martel (gmartel@stikeman.com)
By email to: Me Nathalie Nouvet (nnouvet@stikeman.com)

b) **To the Monitor**:

In Canada:

Raymond Chabot Inc.
Attention: Asbestos Corporation Limited
National Bank Tower
600 De La Gauchetière Street West
Suite 2000
Montréal, Québec H3B 4L8

In the U.S.:

Grant Thornton NYC
Attention: Asbestos Corporation Limited
757 Third Ave
9th Floor

New York, NY 10017

By email to: asbestoscorp@rcgt.com

And with a copy to:

McCarthy Tétrault LLP
1000, rue De La Gauchetière Street West
Suite MZ400
Montréal, Québec H3B 0A2

By email to: Me Alain Tardif (atardif@mccarthy.ca)
By email to: Me Jocelyn Perreault (jperreault@mccarthy.ca)
By email to : Me Frédérique Drainville (fdrainville@mccarthy.ca)

c) **If to General Dynamics:**

In Canada:

Blake, Cassels & Graydon LLP
1 Place Ville Marie
Suite 3000
Suite 2000
Montréal, Québec H3B 4L8

By email to: Me Sebastien Guy (sebastien.guy@blakes.com)
By email to : Me Émilie St-Pierre (emilie.st-pierre@blakes.com)
By email to : Me Youssef Kabbaj (youssef.kabbaj@blakes.com)

If you file an Appeal Application, the Monitor may: (i) seek to resolve the Appeal Application consensually; or (ii) notify you that the adjudication of the Appeal Application will proceed before a Claims Officer or the Court. If the Monitor notifies you that the adjudication of the Appeal Application will proceed before a Claims Officer, you will be required to pay a $500 deposit to the Monitor before the Dispute Package is delivered to the Claims Officer.

If you do not serve an Appeal Application to the Monitor and the Co-Applicants within the period specified above, you shall be deemed to accept the Monitor's determination as to the validity and the amount of your Claim, if any, as set out in this Notice of Determination or Disallowance, and the determinations set out in this Notice of Determination or Disallowance will be final and binding upon you.

If you timely file and serve an Appeal Application and your Claim is adjudicated in accordance with the Asbestos Claims Review and Adjudication Order, the Monitor and the Co-Applicants each reserve the right to file and present any motion or request, as well as any other grounds for objection, as may be appropriate.

Montréal, **[●]**, 2026.

RAYMOND CHABOT INC.
In its capacity as Monitor of the Debtor, and not in its personal capacity

*****

SCHEDULE D
FORM OF APPEAL APPLICATION

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF FRONTENAC

No.: 235-11-000008-259

SUPERIOR COURT
Commercial Division

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C., 1985, C. C-36, OF:

ASBESTOS CORPORATION LIMITED

Debtor/Co-Applicant

-and-

CERTAIN UNDERWRITERS AT LLOYD'S, LONDON

-and-

TENECOM LIMITED

-and-

THE OCEAN MARINE INSURANCE COMPANY LIMITED

-and-

NRG VICTORY REINSURANCE LIMITED

-and-

THE SCOTTISH LION INSURANCE COMPANY LIMITED

CLMI/Co-Applicants

-and-

RAYMOND CHABOT INC.

Monitor

APPEAL APPLICATION

Particulars of Claimant

Legal Name of Claimant:	
Doing business as (if different than Legal Name):	
Legal Counsel or representative (if applicable):	
Address:	

Number and Street (line 1):	
Number and Street (line 2):	
City:	
Province / State:	
Postal / Zip Code	
Country:	
Telephone number:	
Email Address:	
Attention (Contact):	

Pursuant to the Asbestos Claims Review and Adjudication Order issued by the Superior Court of Québec (Commercial Division) (the "**Court**") and dated **[●]**, 2026 (the "**Asbestos Claims Review and Adjudication Order**"), I/we hereby give you notice of our intention to appeal the Notice of Determination or Disallowance bearing reference number __________ and dated ______________________________, issued by Raymond Chabot Inc., in its capacity as Court-appointed monitor of Asbestos Corporation Limited, in respect of my/our Proof of Claim (all undefined capitalized terms herein shall have the meaning attributed to them in the Asbestos Claims Review and Adjudication Order).

CLAIM AGAINST	AMOUNT OF CLAIM AS PER NOTICE OF DETERMINATION OR DISALLOWANCE	ALLEGED AMOUNT OF DISPUTED ASBESTOS CLAIM
ACL		
General Dynamics		
Directors and Officers of the Debtor		
Directors and Officers of General Dynamics		
Insurers		

Grounds for Objection – Appeal Application

(Please attach additional pages and copies of all supporting documents, if necessary):
____
____
____
____
____

Dated:	
Signature of Claimant:	
(*Please print name*):	
Signature of Witness:	
(*Please print name*):	

All capitalized terms not otherwise defined herein shall have the meaning assigned thereto in the Asbestos Claims Review and Adjudication Order.

THIS FORM AND SUPPORTING DOCUMENTATION ARE TO BE SERVED ON THE MONITOR AND THE CO-APPLICANTS IN ACCORDANCE WITH THE PROCEDURES OUTLINED IN THE ASBESTOS CLAIMS REVIEW AND ADJUDICATION ORDER AT THE ADDRESS LISTED BELOW IN ORDER TO BE RECEIVED BY BOTH THE MONITOR AND THE CO-APPLICANTS WITHIN THIRTY (30) CALENDAR DAYS OF THE DEEMED DATE OF YOUR RECEIPT OF THE NOTICE OF DETERMINATION OR DISALLOWANCE.

Claimants shall be responsible for obtaining proof of delivery of such Appeal Application through their choice of delivery method. No acknowledgement of receipt will be provided by the Monitor.

Address for service of the Appeal Application:

a) **To the Co-Applicants**:

With a copy to:

Asbestos Corporation Limited
C/o Fasken Martineau DuMoulin LLP
800, rue du Square-Victoria
Suite 3500
Montréal, Québec H3C 0B4

By email to:	Me Luc Beliveau (lbeliveau@fasken.com)
By email to:	Me Marc-André Morin (mamorin@fasken.com)
By email to :	Me Éliane Dupéré-Tremblay (edtremblay@fasken.com)

And with a copy to:

CLMI
C/o Stikeman Elliott LLP
1155, boul. René-Lévesque West
Suite 4100
Montréal, Québec H3B 3V2

By email to:	Me Guy P. Martel (gmartel@stikeman.com)
By email to:	Me Nathalie Nouvet (nnouvet@stikeman.com)

b) **To the Monitor**:

In Canada:

Raymond Chabot Inc.
Attention: Asbestos Corporation Limited
National Bank Tower
600 De La Gauchetière Street West
Suite 2000
Montréal, Québec H3B 4L8

In the U.S.:

Grant Thornton NYC
Attention: Asbestos Corporation Limited
757 Third Ave
9th Floor
New York, NY 10017

By email to: asbestoscorp@rcgt.com

And with a copy to:

McCarthy Tétrault LLP
1000, rue De La Gauchetière Street West
Suite MZ400
Montréal, Québec H3B 0A2

By email to:	Me Alain Tardif (atardif@mccarthy.ca)
By email to:	Me Jocelyn Perreault (jperreault@mccarthy.ca)
By email to :	Me Frédérique Drainville (fdrainville@mccarthy.ca)

c) **If to General Dynamics**:

<u>In Canada:</u>

Blake, Cassels & Graydon LLP
1 Place Ville Marie
Suite 3000
Suite 2000
Montréal, Québec H3B 4L8

By email to:	Me Sebastien Guy <u>(sebastien.guy@blakes.com)</u>
By email to :	Me Émilie St-Pierre <u>(emilie.st-pierre@blakes.com)</u>
By email to :	Me Youssef Kabbaj <u>(youssef.kabbaj@blakes.com)</u>

Translator's note: at the client's request, this document only contains the English translation. To access the complete folder, including both source document in French and translated document in English, please follow the verification link below.