
CELOTEX ASBESTOS SETTLEMENT TRUST

P.O. Box 1036
Wilmington, DE 19899-1036
(888) 872-3160

June 23, 2008

Effective July 1, 2007 the Trustees of the Celotex Asbestos Settlement Trust have increased the Discounted Cash Payment (DCP) and Individual Review Claim (IRC) values to the values indicated below:

	Discounted Cash Payment	Individualized Review	
		Scheduled Value	Maximum Value
Mesothelioma	\$11,000	\$130,000	\$325,000
Lung Cancer 2	\$3,200	\$58,000	\$260,000
Lung Cancer 1	\$3,200	\$39,000	\$260,000
Other Cancer	\$1,900	\$26,000	\$130,000
Disabling Bilateral Interstitial Lung Disease	\$1,300	\$32,000	\$192,000
Non-disabling Bilateral Interstitial Lung Disease	\$1,300	\$16,000	\$25,600
Bilateral Pleural Disease	\$650	\$8,000	\$20,000

The Trustees have taken this action pursuant to their responsibilities under Articles 5.1(c), 5.3(f), 5.4(b), 5.4(n) and 8.1 of the Third Amended and Restated Asbestos Personal Injury Claims Resolution Procedures.

The Trustees have made the determination in reliance upon their expert advisors and following consultation with the Legal Representative and the Trust Advisory Committee.

The recalculation of DCP and IRC values was based upon increases in the cost of living during the period since the Trust began operations. The impact of this change on the Celotex Payment Percentage included consideration of the number, timing and value of present and future bodily injury and property damage claims, as well as the estimated value of the Trust's assets, the liquidity of those assets, and the Trust's expected future expenses and income. As a result of these analyses the Trust has determined that the Celotex Payment Percentage will remain 14.1%.¹

Any payments (initial or second installment) or offers made after July 1, 2007 will be adjusted to reflect the new values. In accordance with the authorizations provided by the claimants in previously executed releases, any adjusted payments will be made to the claimants or their counsel. Claimants or their counsel will be required to execute an acknowledgement that the additional funds are received in accordance with the Trustees' increase in values and that the adjusted amounts are accurate. The Trustees will continue to review claim values and the Celotex Payment Percentage to ensure that they are based upon the most current and accurate data available.

You may contact our staff with questions regarding this matter at (888) 872-3160, Monday through Friday from 8AM – 4:30PM EST.

¹ Without the change in DCP and IRC scheduled values the Celotex Payment Percentage would be 18.3%