

Richard R. Winner
Chief Operating Officer

To: All Claimants & Counsel

Date: July 19, 2002

Effective July 10, 2002, the Trustees of the Celotex Asbestos Settlement Trust have increased the Payment Percentage from 10% to 11.3%. The Trustees have taken this action pursuant to their responsibilities under Article 3.4 of the Second Amended and Restated Celotex Asbestos Settlement Trust Agreement.

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

The recalculation of 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.

Any second installment payment due on two-payment bodily injury or property damage claims after July 10, 2002 will be adjusted so that the total payment equals 11.3%, or whatever is the then current Payment Percentage, times the total agreed amount, as provided in the releases and applicable claim resolution procedures.

Further, the Trustees will continue to review the Celotex Payment Percentage on an annual basis to ensure that such Payment Percentage is based upon the most current and accurate data available to them.

Richard Winner