

of Reorganization of Global Industrial Technologies, Inc., *et al.* dated December 28, 2005, as further amended by the December 15, 2006, Amendment, (“the Plans”) be confirmed under 11 U.S.C. §1129. Further, the Court finds that the injunctions are appropriate under §524(g) regarding asbestos personal injury claims and demands as defined in the Plans and under §105 and §1123(b)(6) regarding the Silica Trust claims and demands as defined in the GIT Plan and recommends that they be issued. The court recommends that the United States District Court for the Western District of Pennsylvania enter a final order confirming the Plans and issuing the injunctions pursuant to 11 U.S.C. §524(g)(3)(A), §105 and 28 U.S.C. §157(c)(1). *See In re Combustion Engineering*, 295 B.R. 159, 488 (Bankr. D. Del. 2003), *rev’d on other grounds*, 391 F.3d 190 (3d Cir. 2004).

It is recommended that the injunctions to be issued shall be as follows:

Regarding the NARCO Plan: “that to supplement the injunctive effect of the discharge injunction, THE FOLLOWING PERMANENT CHANNELING INJUNCTION IS ISSUED AND SHALL TAKE EFFECT AS OF THE EFFECTIVE DATE OF THE NARCO PLAN:

Terms. In order to preserve and promote the settlements contemplated by and provided for in the NARCO Plan and to supplement, where necessary, the injunctive effect of the discharge, both provided by Sections 1141 and 524 of the Bankruptcy Code and as described in Article 5 of the NARCO Plan, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court under Section 524(g) of the Bankruptcy Code, all Entities which have held or asserted, which hold or assert, or which may in the

future hold or assert any NARCO Asbestos Trust Claim or NARCO Asbestos Demand¹ against the NARCO Protected Parties², or any of them³, whenever or wherever

¹ The terms “NARCO Asbestos Trust Claim” and “NARCO Asbestos Demand” have the meaning given in Article 1 of the NARCO Plan.

² Any of the following parties with respect to NARCO Asbestos Trust Claims and NARCO Asbestos Demands only:

- (i) Honeywell (only with respect to NARCO Asbestos Trust Claims and NARCO Asbestos Demands derived from the NARCO Product Line);
- (ii) any Honeywell Affiliate (only with respect to NARCO Asbestos Trust Claims and NARCO Asbestos Demands derived from the NARCO Product Line);
- (iii) NARCO;
- (iv) NARCO-Affiliated Debtors;
- (v) the Reorganized Debtors under the NARCO Plan and the GIT Plan;
- (vi) any Subsidiary of the Reorganized Debtors under the NARCO Plan and the GIT Plan, including without limitation Corrosion IP Corp., Corrosion Technology International Services Company, Corrosion Technology International, Inc., Corrosion Technology Chile S.A., Indresco Jeffrey Industria e Comercio Ltda., Construcciones Refractarias Resca S.A., Global-GIX Canada Inc., 1086215 Ontario Inc., Polymer Pipe Technology, Inc., Harbison-Walker Refractories Limited, Liptak Bradley Limited, CTI Europe N.V., CTI Pacific Chusik Hoesa, CTI Pacific Pty. Limited, GIX Pty. Ltd., PT Harbison-Walker, A.P. Green de Mexico S.A. de C.V., S.A., Zircoa, Inc., NAR Export Sales Ltd., and RHI America Receivables Corporation;
- (vii) any Entity that has provided insurance to NARCO, any of the NARCO-Affiliated Debtors, the Reorganized Debtors, Honeywell, any Honeywell Affiliate for NARCO Asbestos Trust Claims or NARCO Asbestos Demands and that, by Agreement, is a contributor, directly or indirectly, of the proceeds from such insurance to the NARCO Asbestos Trust (but only with respect to the NARCO Asbestos Trust Claims and NARCO Asbestos Demands for which the insurance was provided);
- (viii) any Entity that, pursuant to the NARCO Plan or after the Effective Date becomes a direct or indirect transferee of, or successor to any assets of NARCO, any of the NARCO-Affiliated Debtors, the Reorganized Debtors, or the NARCO Asbestos Trust (but only to the extent that liability for NARCO Asbestos Trust Claims or NARCO Asbestos Demands is asserted to exist by reason of it becoming such a transferee or successor);
- (ix) any Entity that, pursuant to the NARCO Plan or after the Effective Date, makes a loan to any of the Reorganized Debtors or the NARCO Asbestos Trust or to a successor to, or transferee of, any assets of NARCO, any of the NARCO-Affiliated Debtors, the Reorganized Debtors, or the NARCO Asbestos Trust (but only to the extent that liability for NARCO Asbestos Trust Claims or NARCO Asbestos Demands is asserted to exist by reason of such Entity becoming such a lender or to the extent any pledge of assets made in connection with such a loan is sought to be avoided or impaired, based upon the assertion of a NARCO Asbestos Trust Claim or NARCO Asbestos Demand); or

(x) any present or former officer, director or employee of NARCO, any of the NARCO-Affiliated Debtors, or the Reorganized Debtors to the extent he or she is alleged to be directly or indirectly liable for NARCO Asbestos Trust Claims or NARCO Asbestos Demands based on the conduct of NARCO, the NARCO-Affiliated Debtors, Honeywell, any Honeywell Affiliate or the Reorganized Debtors or by reason of his or her service as a present or former officer, director or employee of NARCO, any of the NARCO-Affiliated Debtors, or the Reorganized Debtors;

(xi) the RHI AG Entities;

(xii) the APG Asbestos Trust and APG Silica Trust;

(xiii) Brickyard Development Partners LP, Empresa de Refractorios Colombianos, S.A., and Materiales Industriales, S.A.

As of December 23, 2005, the NARCO Protected Parties are the parties listed Exhibit C of the Disclosure Statement. The Debtors reserved the right to amend or supplement Exhibit C to these Definitions until the Confirmation Date pursuant to the provisions of the Bankruptcy Code on appropriate notice, and thereafter amendments or supplements may be made by an order of a court of appropriate jurisdiction on appropriate notice. **On or before October 1, 2007, Debtors' counsel shall file an appropriate notice listing any additional NARCO Protected Parties.**

³ A NARCO Protected Party will receive the protections of the NARCO Channeling Injunction only to the extent permitted by Section 524(g), including 524(g)(4)(A)(ii), which states as follows:

(ii) Notwithstanding the provisions of section 524(e), such an injunction may bar any action directed against a third party who is identifiable from the terms of such injunction (by name or as part of an identifiable group) and is alleged to be directly or indirectly liable for the conduct of, claims against, or demands on the debtor to the extent such alleged liability of such third party arises by reason of –

(I) the third party's ownership of a financial interest in the debtor, a past or present affiliate of the debtor, or a predecessor in interest of the debtor;

(II) the third party's involvement in the management of the debtor or a predecessor in interest of the debtor, or service as an officer, director or employee of the debtor or a related party;

(III) the third party's provisions of insurance to the debtor or a related party; or

(IV) the third party's involvement in a transaction changing the corporate structure, or in a loan or other financial transaction affecting the financial condition, of the debtor or a related party, including but not limited to –

(aa) involvement in providing financing (debt or equity), or advice to an entity involved in such a transaction; or

(bb) acquiring or selling a financial interest in an entity as part of such a transaction.

(iii) As used in the subparagraph, the term "related party" means –

(I) a past or present affiliate of the debtor;

(II) a predecessor in interest of the debtor; or

arising or asserted, shall, except to the extent otherwise provided in Section 2.3(d) of the NARCO Asbestos Trust Agreement in respect of Honeywell and the Honeywell Affiliates, be permanently stayed, restrained and enjoined from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payments, satisfaction, or recovery with respect to any such Claim or Demand, including but not limited to:

- A. commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Demand, against any of the NARCO Protected Parties, or against the property of any NARCO Protected Party with respect to any such Claim or Demand;
- B. enforcing, attaching, collecting or recovering, by any manner or means, any judgment, award, decree or order against any of the NARCO Protected Parties or against the property of any NARCO Protected Party with respect to any such Claim or Demand;
- C. creating, perfecting or enforcing any Lien of any kind against any NARCO Protected Party or the property of any NARCO Protected Party with respect to any such Claim;
- D. asserting or accomplishing any setoff, right of subrogation, indemnity, contribution or recoupment of any kind against any obligation due any NARCO

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- (III) any entity that owned a financial interest in –
 - (aa) the debtor;
 - (bb) a past or present affiliate of the debtor; or
 - (cc) a predecessor in interest of the debtor.

Protected Party or against the property of any NARCO Protected Party with respect to any such Claim or Demand; and

E. taking any act, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan Documents⁴, with respect to such Claim or Demand.

Reservations. Notwithstanding anything to the contrary above, the NARCO Channeling Injunction shall not enjoin:

- A. the rights of Entities to the treatment accorded them under Article 3 of the NARCO Plan, including the right of Entities with NARCO Asbestos Trust Claims and NARCO Asbestos Demands to assert such Claims or Demands in accordance with the NARCO Asbestos TDP solely against the NARCO Asbestos Trust whether or not there are funds to pay such Claims or Demands;
- B. the rights of Entities to assert any claim, debt, litigation, or liability for payment of Trust Expenses solely against the NARCO Asbestos Trust; and
- C. the NARCO Asbestos Trust from enforcing its rights under the NARCO Asbestos Trust Agreement.

Modification. Except as otherwise set forth in Section 2.3(d) of the NARCO Asbestos Trust Agreement, there can be no modification, dissolution or termination of the NARCO Channeling Injunction, which shall be a permanent injunction.

Non-Limitation. Except as otherwise set forth in Section 2.3(d) of the NARCO Asbestos Trust Agreement, nothing in the NARCO Plan shall be construed in any way to

⁴ The term “Plan Documents” has the meaning given in Article 1 of the NARCO Plan.

limit the scope, enforceability, or effectiveness of the NARCO Asbestos Channeling Injunction issued in connection with the NARCO Plan of the NARCO Asbestos Trust's assumption of all liability with respect to NARCO Asbestos Trust Claims and NARCO Asbestos Demands.

Bankruptcy Rule 3016 Compliance. The Debtors' compliance with the requirements of Bankruptcy Rule 3016 shall not constitute an admission that the NARCO Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code.

Regarding the GIT Plan: "that to supplement the injunctive effect of the discharge injunction, THE FOLLOWING PERMANENT CHANNELING INJUNCTION IS ISSUED AND SHALL TAKE EFFECT AS OF THE EFFECTIVE DATE OF THE GIT PLAN:

Terms. In order to preserve and promote the settlements contemplated by and provided for in the GIT Plan and to supplement, where necessary, the injunctive effect of the discharge, both provided by Sections 1141 and 524 of the Bankruptcy Code and as described in Article 5 of the GIT Plan, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court under Sections 524(g) (for APG Asbestos Trust Claims or Demands) or 105(a) (for APG Silica Trust Claims or Demands) of the Bankruptcy Code (or both), all Entities which have held or asserted, which hold or assert, or which may in the future hold or assert any APG Asbestos Trust Claim, APG Asbestos

Demand, APG Silica Trust Claim or APG Silica Demand⁵ against GIT Protected Parties⁶,

⁵ The terms “APG Asbestos Trust Claim,” “APG Asbestos Demand,” “APG Silica Trust Claim,” or “APG Silica Demand” have the meaning given in Article 1 of the GIT Plan.

⁶ Any of the following parties:

(i) GIT (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims and APG Silica Demands);

(ii) GIT-Affiliated Debtors (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims and APG Silica Demands);

(iii) the Reorganized Debtors under the NARCO Plan and the GIT Plan (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims and APG Silica Demands);

(iv) any Subsidiary of the Reorganized Debtors under the NARCO Plan and the GIT Plan, including without limitation Corrosion IP Corp., Corrosion Technology International Services Company, Corrosion Technology International, Inc., Corrosion Technology Chile S.A., Indresco Jeffrey Industria e Comercio Ltda., Construcciones Refractarias Resca S.A., Global-GIX Canada Inc., 1086215 Ontario Inc., Polymer Pipe Technology, Inc., Harbison-Walker Refractories Limited, Liptak Bradley Limited, CTI Europe N.V., CTI Pacific Chusik Hoesa, CTI Pacific Pty. Limited, GIX Pty. Ltd., PT Harbison-Walker, A.P. Green de Mexico S.A. de C.V., S.A., Zircoa, Inc., NAR Export Sales Ltd., and RHI America Receivables Corporation (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims and APG Silica Demands);

(v) Bigelow-Liptak Corporation (with respect solely to APG Asbestos Trust Claims and APG Asbestos Demands arising out of, resulting from, or attributable to asbestos-containing products manufactured, installed, fabricated, sold, supplied, produced, designed, distributed or in any way at any time marketed or disposed of by an APG Debtor under the “Bigelow-Liptak” name or any form thereof prior to February 1, 1989);

(vi) the Stebbins Engineering And Manufacturing Company (with respect solely to APG Asbestos Trust Claims and APG Asbestos Demands arising out of, resulting from, or attributable to asbestos-containing products manufactured, installed, fabricated, sold, supplied, produced, designed, distributed or in any way at any time marketed or disposed of by an APG Debtor under the “Bigelow-Liptak” name or any form thereof prior to February 1, 1989);

(vii) The RHI Entities (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims and APG Silica Demands);

(viii) any Entity, including, but not limited to, the APG Services Settled Insurers, that has provided insurance to GIT, any of the GIT-Affiliated Debtors, the Reorganized Debtors for APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims or APG Silica Demands and that, by agreement, is a contributor, directly or indirectly, of the proceeds from such insurance to the APG Asbestos Trust of the APG Silica Trust (but only with respect to the APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims and APG Silica Demands for which the insurance was provided);

(ix) any Entity that, pursuant to the GIT Plan of after the Effective Date becomes a direct

or any of them, whenever and wherever arising or asserted, shall be permanently stayed, restrained and enjoined from taking any action for the purpose of directly or indirectly

or indirect transferee of, or successor to any assets of GIT, any of the GIT-Affiliated Debtors, the Reorganized Debtors, the APG Asbestos Trust or the APG Silica Trust (but only to the extent that liability for APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims or APG Silica Demands is asserted to exist by reason of becoming such a transferee or successor);

(x) any Entity that, pursuant to the GIT Plan or after the Effective Date, makes a loan to any of the Reorganized Debtors, the APG Asbestos Trust, the APG Silica Trust or to a successor to, or transferee of, any assets of GIT, any of the GIT-Affiliated Debtors, the Reorganized Debtors, the APG Asbestos Trust, or the APG Silica Trust (but only to the extent that liability for APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims or APG Silica Demands is asserted to exist by reason of such Entity becoming such a lender or to the extent any pledge or assets made in connection with such a loan is sought to be avoided or impaired, based upon the assertion of an APG Asbestos Trust Claim, APG Asbestos Demand, APG Silica Trust Claim or APG Silica Demand);

(xi) any present or former officer, director or employee of GIT, any of the GIT-Affiliated Debtors, or the Reorganized Debtors to the extent he or she is alleged to be directly or indirectly liable for APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims or APG Silica Demands based on the conduct of GIT, the GIT-Affiliated Debtors, or the Reorganized Debtors or by reason of his or her service as a present or former officer, director or employee of GIT, any of the GIT-Affiliated Debtors, or the Reorganized Debtors;

(xii) the NARCO Asbestos Trust (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims or APG Silica Demands), the APG Asbestos Trust (with respect to APG Silica Trust Claims and APG Silica Demands) and the APG Silica Trust (with respect to APG Asbestos Trust Claims and APG Asbestos Demands);

(xiii) Brickyard Development Partners LP, Empresa de Refractorios Colombianos, S.A., and Materiales Industriales, S.A. (with respect to APG Asbestos Trust Claims, APG Asbestos Demands, APG Silica Trust Claims or APG Silica Demands).

As of December 23, 2005 the GIT Protected Parties include, but are not limited to, the parties listed on Exhibit A of the Disclosure Statement. The Debtors reserved the right to amend or supplement Exhibit A to these Definitions until the Confirmation Date pursuant to the provisions of the Bankruptcy Code on appropriate notice, and thereafter amendments or supplements may be made by an order of a court of appropriate jurisdiction on appropriate notice. **On or before October 1, 2007, Debtors' counsel shall file an appropriate notice listing any additional GIT Protected Parties.**

Notwithstanding the foregoing, for avoidance of doubt, the term GIT Protected Party shall not include U.S. Gypsum Corporation or any of its Subsidiaries or Affiliates as of the Effective Date of the GIT Plan.

collecting, recovering, or receiving payments, satisfaction, or recovery with respect to any such Claim or Demand, including, but not limited to:

- A. commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Demand, against any of the GIT Protected Parties, or against the property of any GIT Protected Party with respect to any such Claim or Demand;
- B. enforcing, attaching, collecting or recovering, by any manner or means, any judgment, award, decree or order against any of the GIT Protected Parties or against the property of any GIT Protected Party with respect to any such Claim or Demand;
- C. creating, perfecting or enforcing any Lien of any kind against any GIT Protected Party or the property of any GIT Protected Party with respect to any such Claim or Demand;
- D. asserting or accomplishing any setoff, right of subrogation, indemnity, contribution or recoupment of any kind against any obligation due any GIT Protected Party or against the property of any GIT Protected Party with respect to any such Claim or Demand; and
- E. taking any act, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan Documents⁷, with respect to such Claim or Demand.

Reservations. Notwithstanding anything to the contrary above, the GIT Channeling

⁷ The terms “Plan Documents” has the meaning given in Article 1 of the GIT Plan.

Injunction shall not enjoin:

- A. the rights of Entities to the treatment accorded them under Article 3 of the GIT Plan, including the right of Entities with APG Asbestos Trust Claims and APG Asbestos Demands to assert such Claims or Demands in accordance with the APG Asbestos TDP solely against the APG Asbestos Trust whether or not there are funds to pay such Claims or Demands, and the right of Entities with APG Silica Trust Claims and APG Silica Demands to assert such Claims or Demands in accordance with the APG Silica TDP solely against the APG Silica Trust whether or not there are funds to pay such Claims or Demands, as applicable;
- B. the rights of Entities to assert any claim, debt, litigation, or liability for payment of Trust Expenses solely against the APG Asbestos Trust or the APG Silica Trust, as applicable; and
- C. the APG Asbestos Trust or the APG Silica Trust from enforcing their respective rights under the APG Asbestos Trust Agreement and APG Silica Trust Agreement.

Modifications. There can be no modification, dissolution or termination of the GIT Channeling Injunction, which shall be a permanent injunction.

Non-Limitation-APG Asbestos Channeling Injunction. Nothing in the GIT Plan or in the APG Asbestos Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness of the APG Asbestos Channeling Injunction issued in connection with the GIT Plan or the APG Asbestos Trust's assumption of all liability

with respect to APG Asbestos Trust Claims and APG Asbestos Demands.

Non-Limitation-APG Silica Channeling Injunction. Nothing in the GIT Plan or in the APG Silica Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness of the APG Silica Channeling Injunction issued in connection with the GIT Plan or the APG Silica Trust's assumption of all liability with respect to APG Silica Trust Claims and APG Silica Demands.

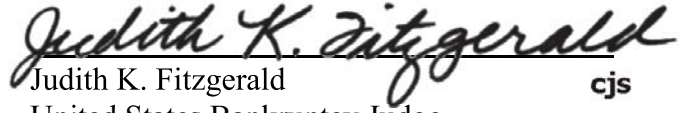
Bankruptcy Rule 3016 Compliance. The Debtors' compliance with the requirements of Bankruptcy Rule 3016 shall not constitute an admission that the GIT Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code.

Environmental Protection Regulations. Notwithstanding anything in the GIT Plan to the contrary, nothing in the GIT Plan modifies, alters or absolves the Debtors, Reorganized Debtors or their respective successors or assigns from their obligations to comply with statutes and regulations relating to environmental protection.”

It is further **ORDERED** that on or before October 1, 2007, in accordance with note 2, counsel for the Debtors shall file an appropriate notice, if necessary, in both the United States Bankruptcy Court for the Western District of Pennsylvania and the United States District Court for the Western District of Pennsylvania listing any additional NARCO Protected Parties.

It is further **ORDERED** that on or before October 1, 2007, in accordance with note 6, counsel for the Debtors shall file an appropriate notice, if necessary, in both the United States Bankruptcy Court for the Western District of Pennsylvania and the United States District Court for the Western District of Pennsylvania listing any additional GIT Protected Parties.

Counsel for Debtor shall immediately serve a copy of this Order of Court on all parties on the current Service List and any other parties in interest and shall file proof of service forthwith.


Judith K. Fitzgerald cjs
United States Bankruptcy Judge