SETTLEMENT AGREEMENT AND RELEASE
BETWEEN
HALLIBURTON COMPANY
DII INDUSTRIES, LLC

And

CERTAIN LONDON MARKET COMPANIES

_____, 2004

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release is made this ____ day of ____ 2004, by and between, on the one hand, Halliburton Company ("Halliburton") and DII Industries, LLC ("DII Industries") and, on the other hand, certain London Market Companies identified on Attachment B ("Participating London Market Companies" or "PLMCs").

WITNESSETH THAT:

WHEREAS, PLMCs severally subscribed to certain policies of insurance that provide insurance coverage to DII Entities and/or Halliburton Entities (which policies are more fully hereinafter described and defined as the "Subject Insurance Policies"); and

WHEREAS, DII Industries and Halliburton have incurred and may incur in the future certain liabilities, expenses, and losses arising out of asbestos bodily injury and other asbestos-related claims, silica bodily injury and other silica-related claims, environmental claims and from other types of claims; and

WHEREAS, DII Industries and Halliburton assert that they have rights to obtain reimbursement of indemnity and defense costs incurred in connection with such claims from PLMCs under the Subject Insurance Policies; and

WHEREAS, Certain Underwriters at Lloyd's, London and Certain London Market Companies, Dresser Industries, Inc., Harbison-Walker Refractories Company, a Delaware corporation ("Harbison-Walker") and Global Industrial Technologies, Inc. entered into the DII Industries CIP, concerning "Harbison Asbestos-Related Claims" and

"Non-Harbison Asbestos-Related Claims" as those terms are defined in the DII Industries CIP; and

WHEREAS, Certain Underwriters at Lloyd's, London and Certain London Market Companies and Dresser Industries, Inc. entered into the Worthington CIP concerning "Covered Claims" as that term is defined in the Worthington CIP; and

WHEREAS, numerous lawsuits are currently pending between, amongst others, DII Industries, Harbison-Walker and PLMCs relating to the Subject Insurance Policies and the CIPs; and

WHEREAS, Harbison-Walker, which is a successor to the Harbison-Walker Refractories Division of Dresser Industries, Inc., is a debtor in the Harbison-Walker Bankruptcy; and

WHEREAS, the Debtors have filed petitions for relief under Chapter 11 of the United States Code (the "Bankruptcy Code") and filed the Amended Plan in the Bankruptcy Court; and

WHEREAS, on July 21, 2004, the Bankruptcy Court entered an Amended Order Nunc Pro Tunc to July 16, 2004, (I) Replacing Order Entered July 16, 2004, (II) Approving Debtors' Disclosure Statement and Solicitation Procedures and (III) Confirming the Debtors' Fourth Amended and Restated Joint Prepackaged Plan of Reorganization Under Chapter 11 of the United States Bankruptcy Code confirming the Amended Plan (the "Confirmation Order"); and

WHEREAS, on July 26, 2004, the United States District Court for the Western District of Pennsylvania entered its Order Affirming Order Confirming Plan of Reorganization (the "Affirmation Order"); and

WHEREAS, on August 4, 2004 and August 13, 2004, the United States District Court for the Western District of Pennsylvania entered orders effectively staying the effectiveness of the Confirmation Order and the Affirmation Order; and

WHEREAS, by this Agreement, the Parties intend to adopt, by way of compromise, without prejudice to or waiver of their respective positions in other matters, and without trial or adjudication of any issues of fact or law, and without PLMCs' admission of liability or responsibility under the Subject Insurance Policies, a full and final settlement that releases and terminates all rights, obligations and liabilities (if any) that PLMCs may owe to DII Industries or Halliburton with respect to the Subject Insurance Policies and the CIPs, in consideration of certain monetary payments and other considerations, as more fully set forth herein.

AGREEMENTS:

NOW, THEREFORE, in full consideration of the foregoing and of the mutual agreements herein contained, and intending to be legally bound hereby, the Parties agree as follows:

I. Definitions

The following definitions will apply to the listed terms wherever those terms appear throughout the Agreement or in any attachments hereto. Moreover, each defined term stated in a singular form shall include the plural form, each defined term stated in plural form shall include the singular form, and each defined term stated in the masculine form or in the feminine form or in the neuter form shall include all others.

A. Agreement: The term "Agreement" shall mean this Settlement Agreement and Mutual Release, as the same may be amended from time to time in writing in accordance with its provisions.

B. Amended Plan: The term "Amended Plan" shall mean the Fourth Amended and Restated Joint Prepackaged Plan of Reorganization for the Debtors filed on May 17, 2004, as confirmed by the Bankruptcy Court's July 21, 2004 Amended Order Nunc Pro Tunc to July 16, 2004.

C. Asbestos Claim: The term "Asbestos Claim" shall mean any personal injury claim for damages or other relief, arising out of, based on, or related to, in whole or part, the health effects of exposure to asbestos, including loss of consortium, wrongful death, and any derivative claim made by, or on behalf of any exposed person or any representative, spouse, parent, child or other relative of any exposed person.

D. Asbestos PI Trust: The term "Asbestos PI Trust" shall have the meaning set forth in the Glossary.

E. Bankruptcy Code: The term "Bankruptcy Code" shall mean Title 11 of the United States Code.

F. Bankruptcy Court: The term "Bankruptcy Court" shall have the meaning set forth in the Glossary.

G. Baroid Claims: The term "Baroid Claims" shall mean claims arising from the products, premises, operations or other business activities of Baroid Drilling Fluids, Inc., Baroid Corporation, Baroid International, Tremont Corporation or their predecessors (to the extent the products, premises, operations or other business activities of such predecessors giving rise to such claims are substantially the same as

those of Baroid Drilling Fluids, Inc., Baroid Corporation, Baroid International or Tremont Corporation).

H. CIPs: The term "CIPs" shall mean the DII Industries CIP and the Worthington CIP collectively.

I. Confirmation Order: The term "Confirmation Order" shall have the meaning set forth in the preamble to this Agreement.

J. Coverage Lawsuits: The term "Coverage Lawsuits" shall mean all lawsuits and litigation between, amongst others, DII Industries and/or Harbison-Walker and PLMCs relating to the Subject Insurance Policies, including, without limitation: (1) Dresser Industries, Inc. v. Underwriters at Lloyd's London, Cause No. 01-07414-K, (192nd Judicial District, Dallas County, Texas); (2) DII Industries, LLC v. Federal-Mogul Products Inc., Adv. No. 01-08018, (Bankr. D. Del.); (3) Harbison-Walker Refractories Company v. Dresser Industries, Inc., Adv. No. 02-2151, (Bankr. W.D. Pa.); (4) Dresser Industries, Inc. v. Alba General Insurance Co., Ltd., Adv. No. 03-3072, (Bankr. W.D. Pa.); (5) Dresser Industries, Inc. v. Underwriters at Lloyd's London, Cause No. 98-44026, (333rd Judicial District, Harris County, Texas); (6) Kellogg, Brown & Root, Inc. v. AIU Insurance Co., Cause No. 2003-03653, (11th Judicial District, Harris County, Texas); and (7) Sanchez v. Cooper Industries, Inc. v. Employers Insurance of Wausau, a Mutual Company, Case. No. 97 CIV 1569 BB/DJS, MDL-875 (E.D. Pa.).

K. Debtors: The term "Debtors" shall have the meaning set forth in the Glossary.

L. DII Entities: The term "DII Entities" shall mean DII Industries, LLC and shall also mean and include its past and present subsidiaries; any Persons in which DII

Industries LLC, directly or indirectly, owns a 50% or greater interest; any Persons on whose behalf DII Industries, LLC has the power to release claims under insurance policies (including but not limited to the Subject Insurance Policies); any Persons that have been acquired by, merged into or combined with any of the foregoing or their predecessors; the directors, officers, agents and employees of any of the foregoing acting as such; and the predecessors and assigns of any of the foregoing. The term DII Entities includes, without limitation to the generality of the foregoing, Dresser Industries, Inc., Worthington Corporation, the Debtors, Harbison-Walker Refractories Company (a Pennsylvania corporation), and the Harbison-Walker Refractories Division of Dresser Industries, Inc.

M. DII Industries Bankruptcy: The term "DII Industries Bankruptcy" shall mean the Chapter 11 bankruptcy cases filed by the Debtors in the Bankruptcy Court.

N. DII Industries CIP: The term "DII Industries CIP" shall mean the Coverage-In-Place Agreement Between Certain Underwriters at Lloyd's, London and Certain London Market Companies, Dresser Industries, Inc., Harbison-Walker Refractories Company and Global Industrial Technologies, Inc. with an effective date of December 15, 1998.

O. DII Industries: The term "DII Industries" shall mean DII Industries, LLC and shall not include any past or present affiliated Person of DII Industries, LLC.

P. Federal-Mogul Bankruptcy: The term "Federal-Mogul Bankruptcy" shall mean that case known as In re: Federal-Mogul Global, Inc., T&N Limited, et al., Chapter 11 Case No. 01-10578 (JFK) (Jointly Administered) pending in the United States Bankruptcy Court for the District of Delaware.

Q. Final Order: The term "Final Order" shall have the meaning set forth in the Glossary.

R. Final Payment: The term "Final Payment" shall have the meaning set forth in Paragraph II.D.1.

S. Glossary: The term "Glossary" shall mean the Uniform Glossary of Terms for Plan Documents dated May 17, 2004 filed with the Bankruptcy Court. A copy of the Glossary is attached as Attachment I.

T. Halliburton Entities: The term "Halliburton Entities" shall mean Halliburton Company and shall also mean and include its predecessors, and, to the extent any of the following is not within the definition of DII Industries: its past and present subsidiaries; any Persons in which Halliburton Company, directly or indirectly, owns a 50% or greater interest; any Persons on whose behalf Halliburton Company has the power to release claims under insurance policies (including but not limited to the Subject Insurance Policies); any Persons that have been acquired by, merged into or combined with any of the foregoing or their predecessors; the directors, officers, agents and employees of any of the foregoing acting as such; and the predecessors and assigns of any of the foregoing.

U. Halliburton: The term "Halliburton" shall mean Halliburton Company and shall not include any past or present affiliated Person of Halliburton Company.

V. Harbison-Walker: The term "Harbison-Walker" shall have the meaning set forth in the preamble to this Agreement.

W. Harbison-Walker Bankruptcy: The term "Harbison-Walker Bankruptcy" shall mean that case known as In re Global Industrial Technologies, Inc., et al., Bankr., Case No. 02-21626-JFK, now pending in the Bankruptcy Court.

X. Initial Payment: The term "Initial Payment" shall mean the first payment due from each PLMC under either method of payment set forth in Paragraph II.D. hereof.

Y. Initial Payment Date: The term "Initial Payment Date" shall have the meaning set forth in Paragraph II.D. hereof.

Z. Installment Payments: The term "Installment Payments" shall have the meaning set forth in Paragraph II.D.2. hereof.

AA. Lloyd's Underwriters Settlement Agreement: The term "Lloyd's Underwriters Settlement Agreement" shall mean that settlement agreement between Underwriters at Lloyd's, Halliburton and DII Industries dated January 28, 2004.

BB. Payment Amount: The term "Payment Amount" shall have the meaning set forth in Paragraph II.B.

CC. Person: The term "Person" shall mean an individual, a corporation, a partnership, a joint venture, an association, a trust, any other entity or organization, and any federal, state or local government or any governmental or quasi-governmental body or political subdivision or any agency, department, board or instrumentality thereof, specifically including a "governmental unit" as defined by 11 U.S.C. § 101(27).

DD. Parties: The term "Parties" shall mean Halliburton, DII Industries and PLMCs.

EE. PLMCs: The term "PLMCs" shall mean those companies identified in Attachment B hereto, each of which severally subscribed, each in its own proportionate share and not for any others, to one or more of the Subject Insurance Policies. PLMCs shall include, without limitation to the generality of the foregoing, all named corporate entities and all corporate affiliates, all pool companies as such and subsidiaries of the named corporate entities, any persons that have been acquired by, merged into or combined with any of the foregoing or their predecessors; the directors, officers, agents and employees of any of the foregoing acting as such; and the predecessors, successors and assigns of any of the foregoing. The term "PLMC" or "PLMCs" may, as context requires, mean an individual PLMC, certain PLMCs, or all PLMCs.

FF. Reorganized Debtors: The term "Reorganized Debtors" shall have the meaning set forth in the Glossary.

GG. Reorganized DII Industries: The term "Reorganized DII Industries" shall mean DII Industries on and after the "Effective Date" (as that term is defined in the Glossary).

HH. Reorganized KBR: The term "Reorganized KBR" shall mean Kellogg Brown & Root, Inc. on and after the "Effective Date" (as that term is defined in the Glossary).

II. Settling Asbestos/Silica Insurance Company: The term "Settling Asbestos/Silica Insurance Company" shall have the meaning set forth in the Glossary.

JJ. Silica Claim: The term "Silica Claim" shall mean any personal injury claim for damages or other relief, arising out of, based on, or related to, in whole or part, the health effects of exposure to silica, including loss of consortium, wrongful death, and

any derivative claim made by, or on behalf of any exposed person or any representative, spouse, parent, child or other relative of any exposed person.

KK. Silica PI Trust: The term "Silica PI Trust" shall have the meaning set forth in the Glossary.

LL. Subject Insurance Policies: The term "Subject Insurance Policies" shall mean and include (i) all insurance policies listed in Attachment A hereto; (ii) all known and unknown contracts of insurance (whether or not listed in Attachment A hereto), with an inception date prior to 1993, subscribed by PLMCs and providing insurance, at any time up to and including the date of this Agreement, to: (a) Halliburton Entities; (b) DII Entities; or (c) the Debtors. Notwithstanding the foregoing, Subject Insurance Policies shall not include: (1) insurance policies providing insurance to Persons in which Halliburton Entities and/or DII Entities (either separately or jointly) first acquire a 50% or greater ownership interest, whether such ownership is direct or indirect, after the date of this Agreement; or (2) insurance policies to which Halliburton or DII Industries first acquire rights after the date of this Agreement from a Person not within the definition of Halliburton Entities or DII Entities as of the date of this Agreement, except to the extent that such Persons were previously within the definition of Halliburton Entities or DII Entities at any time prior to and including the date of this Agreement.

MM. Worthington CIP: The term "Worthington CIP" shall mean the Coverage-In-Place Agreement between Certain Underwriters at Lloyd's, London and Certain London Market Companies and Dresser Industries, Inc. dated September 9, 1999.

NN. Worthington CIP Shared Limits: The term "Worthington CIP Shared Limits" shall mean the remaining products aggregate limits of the Worthington CIP Shared Policies. If the remaining products aggregate limits of the Worthington CIP Shared Policies in fact total some amount different from what the Parties currently believe, that different amount shall control and constitute the Worthington CIP Shared Limits.

OO. Worthington CIP Shared Policies: The term "Worthington CIP Shared Policies" shall mean those Subject Insurance Policies set forth in Attachment D.

II. Settlement Amount

A. Settlement Amount. Except as otherwise provided herein, the "Settlement Amount" shall be the sum of ONE HUNDRED FIFTY-THREE MILLION THREE HUNDRED SEVENTY-EIGHT THOUSAND FOUR HUNDRED FIFTY-THREE DOLLARS AND FORTY CENTS (US$153,378,453.40), subject to increase and decrease as provided in this Agreement.

B. PLMCs Allocable Share. The individual share of the Settlement Amount allocable to each PLMC is set forth in Attachment C hereto. Each PLMC shall pay and/or cause to be disbursed to DII Industries its several, allocable share of the Settlement Amount as set forth on Attachment C (the "Payment Amount"). The Payment Amount shall be determined in accordance with the following calculation: X – Y where:

X = the amount on Attachment C for each PLMC

(unless modified pursuant to Paragraph II.C. or II.D. below); and

Y = any credit due to such PLMC pursuant to Paragraph V.C below.

C. Certain Adjustments to Payment Amount and Allocable Share.

Notwithstanding anything herein appearing to the contrary, the Initial Payment of each PLMC shall be increased by an amount equal to 1.18% of the Initial Payment if all of the following occur: (1) the condition precedent set forth in Paragraph VIII.D is satisfied before January 3, 2005; (2) all conditions precedent set forth in Paragraph VIII other than the conditions precedent set forth in Paragraph VIII.E and VIII.F are satisfied as of the time the condition precedent set forth in Paragraph VIII.D is satisfied; and (3) the PLMC does not expressly waive in writing the condition precedent set forth in Paragraph VIII.E and make the Initial Payment within fifteen working days (as defined below) of satisfaction of the condition precedent set forth in Paragraph VIII.D.

D. Methods of Payment. Each PLMC shall have the right to elect the method by which it will pay the Payment Amount from the two methods described below. Each PLMC shall make its election by November 1, 2004. The Initial Payment, whether payment is made pursuant to Method 1 or Method 2, shall be due within fifteen (15) working days of the date that the conditions precedent set forth in Paragraphs VIII and II.J are satisfied or waived (the "Initial Payment Date"). As used herein "working days" shall mean days on which businesses in London, England are generally open for the transaction of business. The Payment Amount shall be paid in accordance with either of the following two methods.

1. Method 1. A PLMC shall pay the Payment Amount allocable to it in two installments, the first installment of which (or the "Initial Payment") shall be in an amount equal to 87% of the Payment Amount, subject to being increased

as provided in Paragraph II.C above; and the second installment (the "Final Payment") of which shall be in an amount equal to 13% of the Payment Amount and shall be due eighteen (18) months after the earlier of: (a) the date all conditions precedent set forth in Paragraph VIII other than the condition precedent set forth in Paragraph VIII.E are satisfied, or (b) the Initial Payment Date.

2. Method 2. A PLMC shall pay the Payment Amount allocable to it in five equal annual installments ("Installment Payments") commencing on the date the Initial Payment is due and continuing on each anniversary of the Initial Payment Date until the Payment Amount is paid. The amount of each Installment Payment for each PLMC, subject to the first Installment Payment being increased as provided in Paragraph II.C. above, shall be one one-fifth of the Payment Amount on Attachment C multiplied by 1.04 (or 4.0%).

E. Cooperation. (1) PLMCs shall cooperate fully with DII Industries to arrange for the release to DII Industries of the amount deposited by PLMCs on or about February 11, 2002 into the registry of the District Court for the 192nd Judicial District for Dallas County, Texas, the Court in which Dresser Industries Inc. v. Alba General Insurance Co. Ltd. Adv. No. 03-3072 (Bankr. W.D. Pa.) was then pending by the courts and Persons holding the same as expeditiously as is reasonably possible following the date all conditions precedent set forth in Paragraph VIII below are satisfied or expressly waived by PLMCs in writing (even if such date is prior to the Initial Payment Date).

(2) DII Industries shall cooperate fully with PLMCs, to arrange for the release of the amount deposited by PLMCs as pre-answer security in Dresser Industries, Inc. v. Underwriters at Lloyds London, Cause No. 01-07414-K (192nd Judicial

District, Dallas County, Texas) pursuant to a court order dated April 4, 2003, together with any interest thereon to the PLMCs (or their designated attorney or agent) by the courts or Persons holding the same as expeditiously as is reasonably possible following the date all conditions precedent set forth in Paragraph VIII below are satisfied or expressly waived by PLMCs in writing (even if such date is prior to the Initial Payment Date).

F. Dismissal of Appeals. Within ten (10) days of the conditions in VIII. A-C and F hereof being satisfied, the PLMCs agree to dismiss all of their appeals from the Confirmation Order.

G. Place of Payment. The Initial Payment, the Final Payment, and/or any Installment Payments shall be paid by wire transfer to the following account:

Bank:	Citibank N.A. New York, NY
SWIFT:	CITIUS33
ABA #:	021000089
Account Name:	DII Industries, LLC
Account Number:	40715617

Any portion of the Payment Amount that comprises the amount deposited by said PLMC on or about February 11, 2002 into the registry of the Court as set forth in II.E above shall be paid to DII Industries in the manner required by the Person currently holding such funds, or if PLMCs are reasonably able to so require, by wire transfer to the account referenced above.

H. Inclusions. The Parties further agree that the Settlement Amount does not include any payment with respect to those Subject Insurance Policies set forth in Attachment E to this Agreement.

I. Certain Additional Payments. Those PLMCs that have not paid their several shares of the amounts of the bills from Dresser Industries, Inc., Harbison-Walker, and/or Global Industrial Technologies, Inc. which London Market Insurers as of January 9, 2002 had approved and processed for payment by the London Market Companies, agree to pay such amounts to DII Industries by no later than January 4, 2005. Amounts referred to in this Section II.I are due and owing in addition to the Settlement Amount and shall be made in accordance with Paragraph II.G.

J. Certification

1. PLMCs' obligation to pay the Payment Amount shall be conditioned on DII Industries certifying, prior to the time the Initial Payment, Final Payment and each Installment Payment is due, as the case may be, from PLMCs that they have resolved sufficient Asbestos Claims supported by the evidence specified in Paragraphs B, C and G of the London Market Insurers' Documentation Requirements for Asbestos Bodily Injury Claims ("DRs") (appended hereto as Attachment F) and covered by the relevant Subject Insurance Policies that the amounts properly allocable to PLMCs, with respect to such settlements, after proper exhaustion of all applicable underlying limits of insurance, equals or exceeds the amount of the payment due. At the same time such certification is made (except as provided herein at the first sentence of Paragraph II.J.2), DII Industries shall provide PLMCs with the information specified herein at Paragraph X concerning the claims that are the subject of the certification and

shall provide PLMCs with an allocation of amounts incurred with respect to the Dresser Industries and/or Worthington, including Studebaker-Worthington, lines of coverage, as appropriate, as provided in the DII Industries CIP and the Worthington CIP. Neither DII Industries nor KBR shall be required to allocate any claims to Subject Insurance Policies issued to Brown & Root, Inc. or provide any certification concerning any claims arguably insured under any Subject Insurance Policies issued to Brown & Root, Inc. in order to receive any amounts otherwise due under this Agreement.

2. Halliburton and DII Industries agree to make the claim files and other relevant materials on which they will base the certification described in Paragraph II.J.1 available to PLMCs and their representatives for review no later than ninety (90) days prior to the date OF the Initial Payment Date. In the event that DII Industries has not made all such materials available by no later than the ninetieth day prior to the Initial Payment Date then, notwithstanding anything in this Agreement to the contrary, the Initial Payment Date shall be postponed until the ninety-first (91st) day following the date that such claims files and information was made available and all dates for payments by PLMCs shall be extended by a like number of days. If PLMCs' review of such claim files and other relevant materials prior to the date the Initial Payment is due under this Agreement shows that the certification required in Paragraph II.J.1 would be or is incorrect, inaccurate or insupportable with respect to some or all of such claims, PLMCs shall be entitled to take a credit against the Initial Payment solely to the extent that their review shows there are insufficient claims that can be properly certified to support the full Initial Payment (unless and to the extent that DII Industries later provides claims data that could properly be certified to support the full Initial Payment).

PLMCs, or their representatives, shall also have the right, promptly after payment of any installment, to audit the accuracy and supportability of the certification accompanying the payment. If the audit reveals that the certification is incorrect, inaccurate or insupportable, PLMCs shall have the right, at their option, to a credit on future payments or to obtain a refund from Halliburton and DII Industries in an amount equal to the amount, if any, by which the payment made exceeded the amount shown by the audit to have been properly certified by DII Industries and payable by PLMCs. The PLMCs' access to claim files and other relevant materials shall continue until such time as sufficient covered claims have been submitted to exhaust the PLMCs' several shares of the remaining products aggregate limits of those Subject Insurance policies identified on Attachment A hereto. To the extent any credits are properly taken pursuant to this Paragraph, the amounts of the credits are not a permanent reduction of the Settlement Amount. Instead, the credits "roll over" and the future payments will be made, no more frequently than once per calendar quarter, as opposed to being added to the Final Payment or next Installment Payment, upon submission of sufficient additional covered claims supported by the evidence required by Paragraph II.J.1 to justify payment of the amounts previously taken as a credit.

To the extent the Parties disagree as to whether submitted claims are supported by the evidence specified in Paragraphs B, C and G of the DRs and covered by the Subject Insurance Policies, such disputes will be submitted to binding arbitration with the prevailing party having its reasonable attorneys' fees and costs paid by the other party; provided that such arbitration shall be decided in accordance with the alternative dispute resolution procedures set forth on Attachment H, which shall be

binding upon the Parties. Further, if an amount is determined to have been improperly withheld from payment by PLMCs or if a payment was made and must be refunded by DII Industries, interest at the rate of 4% shall be due and owing on any such improperly withheld (or was made prematurely based on an improper certification) amount calculated from the date that such payment should have been made through the date such payment is actually received by DII Industries or is refunded by DII Industries, as the case may be.

K. Vertical Split. Subject to the potential election by Halliburton and DII Industries as provided in this Paragraph II.K, the several shares of the solvent PLMCs on policies numbered 564/UC0017 and 564/UC0018 will be allocated an amount equal to the net present value of their remaining products aggregate limits taking into account the annual payment cap set forth in the Worthington CIP. The Parties are discussing a possible 50-50 vertical split of limits on the relevant Studebaker-Worthington and McGraw Edison policies in accordance with the term sheet appended as Attachment G. In the event that the Parties reach agreement on such a split of limits as between themselves and with all other relevant parties, Halliburton and DII Industries shall have the option to either: 1) exclude from their indemnity claims under policies numbered 564/UC0017 and 564/UC0018, in which case the Payment Amount for such PLMCs shall be reduced by $744,000 in the aggregate or 2) to leave the terms of this Agreement unchanged. In the event Halliburton and DII Industries choose option (1) above, the parties agree that the amount allocated to 564/UC0017 and 564/UC0018 equals an amount equal to fifty percent of the net present value of the remaining products aggregate limits taking into account the annual payment cap set forth in the

Worthington CIP and that Halliburton's and DII's indemnity obligation with respect to claims under policies numbered 564/UC0017 and 564/UC0018 shall be limited to amounts incurred by Insurers under such policies in excess of fifty percent of the remaining products aggregate limits. If Halliburton and DII Industries elect to reduce the Settlement Amount by $744,000, PLMCs that elect the method of payment set forth in Paragraph II.D.1 shall apply their several shares of such reduction to the Final Payment. Participating Companies that elect the method of payment set forth in Paragraph II.D.2 shall pro-rate their several shares of the $744,000 reduction equally across all remaining Installment Payments. With respect to all other policies, PLMCs must allocate the Payment Amount in a reasonable manner to particular relevant policies. The total amount allocated to solvent PLMCs (including those solvent, represented London Market Companies that choose not to participate in this settlement) shall equal the Settlement Amount.

III. Several Liability

Halliburton and DII Industries acknowledge that the obligations of PLMCs are several, and not joint. Halliburton and DII Industries agree that no PLMC shall be liable for any portion of the Settlement Amount allocated to any other PLMC, and that no PLMC shall be liable for any share of the Subject Insurance Policies subscribed by other Persons.

IV. Release

A. Releases By DII Industries and Halliburton

1. Upon each PLMC's payment to DII Industries of the Initial Payment, and except for the obligations created by this Agreement including, without

limitation the obligations to pay the Final Payment and/or any Installment Payments, the Debtors, DII Industries, DII Entities, Halliburton and Halliburton Entities, on behalf of themselves and their successors and assigns, shall be deemed to release, remise, covenant not to sue and forever discharge (i) each PLMC making such payment; (ii) each of such PLMC's present and former officers, directors, employees, partners, limited partners, shareholders, members, subsidiaries, predecessors, successors, assigns, representatives, attorneys and agents in such capacity; and (iii) the respective heirs, executors, administrators, successors, assigns and reinsurers (in their capacity as such) of any of the Persons identified in sub-Paragraphs (i) and (ii) hereof as follows: from and against all manner of action, causes of action, suits, debts, accounts, promises, warranties, damages (consequential or punitive), agreements, costs, expenses, claims or demands whatsoever, in law or in equity, whether presently known or unknown, asserted or unasserted, whether sounding in tort or contract, or arising under the statutes or administrative regulations of any jurisdiction, with respect to any and all past, present or future claims, of any type whatsoever, that the Debtors, Halliburton, Halliburton Entities, DII Entities and DII Industries ever had, now has, or hereafter may have (a) for insurance coverage, including both defense costs and indemnification claims, under the Subject Insurance Policies; (b) arising out of or relating to any act, omission, representation, or conduct of any sort in connection with any of the Subject Insurance Policies; or (c) arising out of or in connection with the Coverage Lawsuits or the CIPs.

In addition, upon each PLMC's payment to DII Industries of the Initial Payment, and except for the obligations created by this Agreement the Debtors,

DII Industries, DII Entities, Halliburton and Halliburton Entities, on behalf of themselves and their successors and assigns, shall be deemed to release, remise, covenant not to sue and forever discharge (i) the PLMC making such payment; (ii) each of such PLMC's present and former officers, directors, employees, partners, limited partners, shareholders, members, subsidiaries, predecessors, successors, assigns representatives, attorneys and agents in such capacity; and (iii) the respective heirs, executors, administrators, successors, assigns and reinsurers (in their capacity as such) of any of the Persons identified in sub-Paragraphs (i) and (ii) hereof as follows: from and against all manner of action, causes of action, suits, debts, accounts, promises, warranties, damages (consequential or punitive), agreements, costs, expenses, claims or demands whatsoever, in law or in equity, whether presently known or unknown, asserted or unasserted, whether sounding in tort or contract, or arising under the statutes or administrative regulations of any jurisdiction, with respect to any and all claims that the Debtors, Halliburton, Halliburton Entities, DII Entities and DII Industries ever had, now has, or hereafter may have relating to past, present or future Asbestos Claims or Silica Claims, of any type whatsoever, whether (a) for insurance coverage, including both defense costs and indemnification claims, under insurance policies subscribed by one or more PLMCs with an inception date after 1992; (b) arising out of or relating to any act, omission, representation, or conduct of any sort in connection with any insurance policies subscribed by one or more PLMCs with an inception date after 1992; or (c) arising out of or in connection with the Coverage Lawsuits or the CIPs.

Notwithstanding the foregoing, the release by Halliburton and DII Industries of claims under the Worthington CIP Shared Policies shall become effective

upon payment of the Initial Payment only as to claims not subject to the Worthington CIP Shared Limits. The release shall become effective with respect to claims subject to the Worthington CIP Shared Limits only if, as and when the condition precedent set forth in Paragraph VIII.F is satisfied or expressly waived in writing by the Parties, which satisfaction or waiver must occur by no later than December 31, 2005. By way of example, a premises claim by DII Industries under the Worthington CIP Shared Policies would not be subject to the Worthington CIP Shared Limits and would therefore be released upon the Initial Payment. By way of further example, a products liability claim by DII Industries under the Worthington CIP Shared Policies would be subject to the Worthington CIP Shared Limits and would therefore not be released unless and until the condition precedent set forth in Paragraph VIII.F is satisfied or expressly waived in writing by the Parties.

2. Except as explicitly provided otherwise in Paragraph IV.A.1 above, it is the intention of the Debtors, Halliburton Entities, Halliburton DII Entities and DII Industries to reserve no rights or benefits whatsoever under or in connection with the Subject Insurance Policies, to the extent subscribed by PLMCs, with respect to any past, present or future claims and to assure PLMCs their peace and freedom from such claims and from all assertions of rights in connection with such claims.

3. Except as explicitly provided otherwise in Paragraphs II.B., II.I., and IV.A.1, upon DII Industries' receipt of the Initial Payment, from each PLMC, any and all rights, duties, responsibilities and obligations of that PLMC created by or in connection with the Subject Insurance Policies, are hereby terminated. As of the date of such payment, the Debtors, Halliburton, Halliburton Entities, DII Entities and DII

Industries have no insurance coverage under the Subject Insurance Policies from PLMCs. The various Releases contained in this Paragraph IV.A are intended to operate as though PLMCs had never subscribed to the Subject Insurance Policies.

4. **HALLIBURTON AND DII INDUSTRIES ACKNOWLEDGE THAT THEY HAVE BEEN ADVISED BY THEIR ATTORNEYS CONCERNING, AND ARE FAMILIAR WITH, THE CALIFORNIA CIVIL CODE SECTION 1542 AND EXPRESSLY WAIVE ANY AND ALL RIGHTS UNDER CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES THAT "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR," AND UNDER ANY OTHER FEDERAL OR STATE STATUTE OR LAW OF SIMILAR EFFECT.**

5. Halliburton, Halliburton Entities, DII Industries, DII Entities and the Debtors expressly assume the risk that acts, omissions, matters, causes or things may have occurred that they do not know or do not suspect to exist, whether known or not. Halliburton, Halliburton Entities, DII Industries, DII Entities and the Debtors hereby waive the terms and provisions of any statute, rule or doctrine of common law that either: (i) narrowly construes releases purporting by their terms to release claims in whole or in part based upon, arising from, or related to such acts, omissions, matters, causes or things; or, (ii) restricts or prohibits the releasing of such claims.

B. Release By PLMCs

1. At the same time the releases described in Paragraph IV.A above become effective, each PLMC so released, and any subsequently appointed trustee, receiver or representative acting for such PLMC, shall be deemed to remise, release, covenant not to sue and forever discharge: (i) Each Halliburton Entity; (ii) each of Halliburton's present and former, officers, directors, employees, partners, limited partners, shareholders, members, representatives, attorneys and agents in such capacity; (iii) each DII Entity; (iv) each of DII Industries' present and former, officers, directors, employees, partners, limited partners, shareholders, members, representatives, attorneys, and agents in such capacity; and (v) the respective heirs, executors, administrators, successors, and assigns (in their capacity as such) of any of the Persons identified in sub-Paragraphs (i)-(iv) hereof as follows: from and against any and all manner of action, causes of action, suits, debts, accounts, promises, warranties, damages (consequential or punitive), agreements, costs, expenses, claims or demands whatsoever, in law or in equity, whether presently known or unknown, asserted or unasserted, whether sounding in tort or in contract, or arising under the statutes or administrative regulations of any jurisdiction, with respect to any and all past, present or future claims, of any type whatsoever, that each such Underwriter ever had, now has, or hereinafter may have with respect to, arising out of, relating to or in connection with any of the Subject Insurance Policies, the CIPs and/or the Coverage Lawsuits.

2. Except as explicitly provided otherwise in this Agreement, upon the granting of the releases in Paragraph IV.A, any and all rights, duties, responsibilities and obligations of Halliburton Entities or DII Entities created by or in connection with the Subject Insurance Policies, are hereby terminated with respect to

PLMCs. The various Releases contained in this Paragraph IV.B are intended to operate as though the PLMCs had never subscribed to the Subject Insurance Policies.

3. **PLMCs ACKNOWLEDGE THAT THEY HAVE BEEN ADVISED BY THEIR ATTORNEYS CONCERNING, AND ARE FAMILIAR WITH, THE CALIFORNIA CIVIL CODE SECTION 1542 AND EXPRESSLY WAIVE ANY AND ALL RIGHTS UNDER CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES THAT "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR," AND UNDER ANY OTHER FEDERAL OR STATE STATUTE OR LAW OF SIMILAR EFFECT.**

4. PLMCs expressly assume the risk that acts, omissions, matters, causes or things may have occurred that they do not know or do not suspect to exist, whether known or not. PLMCs hereby waive the terms and provisions of any statute, rule or doctrine of common law that either: (i) narrowly construes releases purporting by their terms to release claims in whole or in part based upon, arising from, or related to such acts, omissions, matters, causes or things; or, (ii) restricts or prohibits the releasing of such claims.

V. Indemnification

A. In addition to PLMCs' other rights under this Agreement and the other obligations of Halliburton, DII Industries, Reorganized DII Industries and Reorganized KBR to PLMCs under this Agreement, Halliburton, DII Industries and Reorganized DII Industries, jointly and severally, and their successors and assigns, will

hold PLMCs harmless and provide PLMCs a full, uncapped indemnification, including but not limited to defense costs, in respect of (1) any and all claims for insurance coverage under or relating to handling of claims under the Subject Insurance Policies and (2) any and all Asbestos Claims or Silica Claims with respect to any insurance policies subscribed by one or more PLMCs with an inception date after 1992, (except as set forth in Paragraph V.E and F below), including but not limited to all claims, whether by way of direct action or otherwise, made by: (i) other insurers of Halliburton Entities or DII Entities; (ii) any Person claiming to be insured under the Subject Insurance Policies;

(iii) any Person who has acquired or been assigned the right to make a claim under the Subject Insurance Policies; (iv) any Person asserting direct action rights under the Subject Insurance Policies, including without limitation Persons with Asbestos or Silica Claims against Halliburton or DII Industries; or (v) any federal, state or local government or any political subdivision, agency, department, board or instrumentality thereof, including but not limited to, the State of Minnesota pursuant to the Minnesota Landfill Cleanup Act, Minn. Stat. § 115B.39 et seq. or the Minnesota Insurance Recovery Act of 1996, Minn. Stat. § 115B.441 et seq. The Parties acknowledge that this indemnification includes claims made by any Person over whom Halliburton and DII Industries do not have control, which may include former subsidiaries, predecessors in interest, sellers or purchasers of assets, or any other Person who asserts rights to coverage or claims relating to claims handling under the Subject Insurance Policies.

B. PLMCs shall forward promptly any demand, notice, summons or other process received by them or it in connection with any indemnified claim. To the

extent that Halliburton or DII Industries has an indemnification obligation with respect to such claim pursuant to Paragraph V of this Agreement, Halliburton or DII Industries shall acknowledge in writing their obligations under this Agreement in connection with any claim to be indemnified and shall in fact assume responsibility for the defense of the indemnified claim as set forth below, within thirty (30) days of receipt of notice of such claim from PLMCs. To the extent that DII Industries or Halliburton do not agree that the claim so submitted is an indemnified claim pursuant to this Paragraph V.DII Industries or Halliburton shall inform PLMCs, in writing, within thirty (30) days of receipt of notice of such claims from PLMCs that DII Industries or Halliburton believe such forwarded claim is not an indemnified claim. If Halliburton and DII Industries fail to respond to a notice from PLMCs of an indemnified claim within thirty (30) days of receipt, they shall be deemed to have agreed that the claim is indemnified under this Paragraph V.

If Halliburton and DII Industries contend that a claim is not one they are obligated to indemnify under this Agreement, or have failed to in fact assume the defense of an indemnified claim within thirty (30) days of notice of the claim from PLMCs, without waiving or in any way prejudicing their rights under the terms of this Agreement, PLMCs shall be free to take whatever actions and positions they deem appropriate and reasonable with respect to the claim, including settling the claim (prior to the resolution of the dispute regarding Halliburton's and DII Industries' indemnity obligations or to Halliburton's and DII Industries' assumption of the defense) provided, however, that no settlement which provides for a judgment against Halliburton or Reorganized DII Industries or DII Industries may be entered without the written consent of Halliburton, DII Industries or Reorganized DII Industries. Subject to enforcing the

proviso contained in the preceding sentence, Halliburton and DII Industries may not subsequently challenge or contest such actions or positions other than on the grounds that PLMCs intentionally acted in bad faith or fraudulently.

Halliburton and DII Industries shall solicit and consider the views, and obtain the consent, of PLMCs in choosing counsel, which consent shall not be unreasonably withheld (and which consent cannot be withheld on the basis that such counsel previously has represented Halliburton, DII Industries or any other policyholder against PLMCs or any other insurer or insurance company, unless and to the extent retention of such counsel would constitute an unwaivable conflict of interest). Following solicitation and consideration of the views of PLMCs, Halliburton and DII Industries shall have the right to direct the defense of the indemnified claim; provided however that:

1. Halliburton and DII Industries shall take no position on behalf of PLMCs, substantive or procedural, without their consent, which shall not be unreasonably delayed;

2. In any filing, Halliburton and DII Industries shall state in the caption of the filing that it is filed by "Halliburton Company, DII Industries, LLC (or other appropriate entity) as indemnitor of [insert name of appropriate entity or entities]." In addition, Halliburton and DII Industries shall include a written disclaimer in the body of any such filing in substantially the following form: "This filing is made by [Halliburton Company, DII Industries, LLC or other appropriate entity] in its capacity as indemnitor of [insert name of appropriate entity or entities] pursuant to a settlement agreement with [insert name of appropriate entity or entities]. The positions set forth and arguments made herein are solely those of [indemnifying entity] in its capacity as indemnitor of

[insert name of appropriate entity or entities] and do not reflect and may not be construed as the positions or arguments of [insert name of appropriate entity or entities] for any purpose other than a proceeding in which [indemnifying entity] is acting as indemnitor of [insert name of appropriate entity or entities]. In any court appearances in proceedings in which Halliburton and DII Industries are indemnifying [insert name of appropriate entity or entities], Halliburton and DII Industries shall advise the Court that they are acting as indemnitor of PLMCs."

3. Halliburton and DII Industries shall provide PLMCs with draft copies of all pleadings, briefs, discovery requests and responses, and other court papers and correspondence sufficiently in advance of filing, service or mailing to permit a reasonable opportunity to review and comment on same; and

4. Halliburton and DII Industries shall resist production of PLMCs' documents, information and witnesses upon the reasonable determination by PLMCs that they are not properly discoverable. Any production of documents, information or witnesses of PLMCs shall be made only as expressly authorized by PLMCs and only pursuant to applicable rules, including without limitation subpoena rules.

C. If, after the full execution of this Agreement and prior to the date all conditions precedent set forth in Paragraph VIII are satisfied or expressly waived by PLMCs in writing, PLMCs receive or must continue to defend claims that would otherwise be subject to the indemnity provided in this Paragraph V, including but not limited to the claims asserted against PLMCs in the Coverage Lawsuits and claims under the Worthington CIP Shared Policies, PLMCs shall defend such claims and shall

be responsible for payment of any settlements or judgments on such claims, if payment is required before all conditions precedent to this Agreement are satisfied or expressly waived in writing by PLMCs. PLMCs shall not settle any such claims without the consent of Halliburton and DII Industries, which consent shall not be unreasonably withheld or delayed. Any reasonable amounts incurred by PLMCs in order to defend or settle such claims subject to this Paragraph V.C after the full execution of this Agreement and prior to the date all conditions precedent are satisfied or expressly waived by PLMCs in writing shall be credited against the Initial Payment due from PLMCs to DII Industries as set forth in Paragraph II.D.

D. The indemnification obligation set forth in this Paragraph V shall not include: (i) any costs incurred by PLMCs prior to notice of the indemnified claim to Halliburton Company or DII Industries; (ii) any costs associated with the giving of notice of an indemnified claim to Halliburton or DII Industries, (iii) any cost incurred by PLMCs in monitoring the progress of any indemnified claim or in relation to PLMCs consenting to the taking of any position by Halliburton or DII Industries concerning an indemnified claim; (iv) any costs incurred by PLMCs in relation to any claim brought by a reinsurer or retrocessionaire of PLMCs concerning any of the Subject Insurance Policies; (v) any claims concerning the Subject Insurance Policies subscribed in favor of NL Industries identified on Attachment A to this Agreement, except for Baroid Claims which are indemnified pursuant to this Paragraph V; and (vi) any claims concerning the Subject Insurance Policies identified on Attachment D to this Agreement that were subscribed in favor of Studebaker Corporation, Studebaker-Worthington, Inc. or McGraw Edison but not scheduled in the Worthington CIP.

In addition, the indemnification obligation set forth in Paragraph V.A above shall not apply to the following if incurred after Halliburton and DII Industries have in fact assumed the defense of an indemnified claim: (1) any legal fees or internal salary costs incurred by PLMCs in assisting with discovery concerning any indemnified claim, including, but not limited to, the costs of complying with discovery, the costs incurred in locating and making documents available for production, the costs associated with providing deposition testimony, and the costs of attorneys that PLMCs might choose to assist in responding to discovery; (2) any legal fees or internal salary costs incurred by PLMCs in relation to any appearance at any settlement negotiations, mediations, arbitrations, or court appearances, including legal fees incurred by counsel chosen by PLMCs; (3) any costs incurred by PLMCs exceeding $25,000 for which Halliburton or DII Industries might owe an indemnification obligation if such costs were incurred by PLMCs without the written consent of Halliburton or DII Industries; and (4) any costs exceeding $25,000 that PLMCs obligate themselves to pay or obligate Halliburton or DII Industries to pay for which PLMCs did not receive the prior written approval of Halliburton or DII Industries to incur or pay.

E. The full, uncapped indemnity described in Paragraph V.A above applies to claims under the Worthington CIP Shared Policies except to the extent set forth below. The indemnity set forth in this Paragraph V shall not apply to claims subject to the Worthington CIP Shared Limits unless and until the condition set forth in Paragraph VIII.F is satisfied or expressly waived in writing by the Parties, which satisfaction or waiver must occur by no later than December 31, 2005. By way of example only, if a third party sued PLMCs on a products liability claim covered by the

Worthington CIP Shared Policies, that claim would be subject to the Worthington CIP Shared Limits and Halliburton Company and DII Industries, LLC would not be obligated to indemnify PLMCs with respect to such claim unless and until the condition precedent set forth in Paragraph VIII.F is satisfied or expressly waived in writing by the Parties. Amounts incurred by PLMCs in connection with such a claim prior to the time the condition precedent set forth in Paragraph VIII.F is satisfied or expressly waived in writing by the Parties would, however, be a credit against the Final Payment due to DII Industries pursuant to Paragraph II.D above.

F. Halliburton, DII Industries, Reorganized DII Industries and Reorganized KBR, on behalf of themselves and their successors and assigns, agree that they will not transfer assets, or Persons in which they have an ownership interest greater than 50% as of the date of this Agreement, to any other Person under common ownership with Halliburton, DII Industries, Reorganized DII Industries and Reorganized KBR as of the date of the transfer if such assets or Persons represent a material portion of the total assets of the transferring company unless the Person that is the recipient of the transfer agrees in writing to be bound by all the provisions of this Paragraph V.

G. As used in this Paragraph V, the term "PLMCs" may, at the discretion of any PLMC, mean an individual PLMC, certain PLMCs, or all PLMCs.

VI. Assignment of Subrogation, Contribution and Reimbursement Rights Against Other Insurers

Other than claims against PLMCs' reinsurers, which are expressly preserved by PLMCs, PLMCs agree that they shall not pursue subrogation, equitable or legal indemnity, contribution, or reimbursement of the Settlement Amount or any part thereof from any third party, including without limitation any other primary or excess

insurer of DII Industries or Halliburton. To the extent permitted by law, PLMCs hereby transfer and assign to DII Industries all such rights, claims, and causes of action relating to subrogation, reimbursement, or contribution that PLMCs may have arising out of the Settlement Amount paid hereunder, except that nothing herein shall limit the rights of PLMCs to make reinsurance claims and pursue their reinsurance recoveries.

VII. Dismissal of Coverage Lawsuits and Standstill Agreement

Within fourteen (14) days after satisfaction of the condition precedent set forth in Paragraph VIII.B, (i) DII Industries shall dismiss, without prejudice, its claims or cross-claims (if any), in the Coverage Lawsuits against PLMCs and (ii) PLMCs shall dismiss without prejudice their claims or cross-claims (if any) in the Coverage Lawsuits against DII Industries. Such dismissals shall be converted by the Parties into dismissals with prejudice within fourteen (14) days after all conditions precedent set forth in Paragraph VIII have been satisfied or expressly waived by all PLMCs in writing. If such conditions are waived by less than all of the PLMCs, the conversion of the dismissal to one with prejudice only applies to PLMCs that waived all remaining conditions precedent. DII Industries and PLMCs shall bear their own costs, expenses, and counsel fees in the Coverage Lawsuits. Halliburton and DII Industries agree to use their best efforts to obtain a dismissal without prejudice of Harbison-Walker's claims or cross-claims (if any) in the Coverage Lawsuits against PLMCs. If they are successful in obtaining such a dismissal without prejudice of Harbison-Walker's claims or cross-claims (if any) in the Coverage Lawsuits against PLMCs, PLMCs agree to dismiss without prejudice their claims or cross-claims (if any) in the Coverage Lawsuits against Harbison-Walker.

The Parties agree not to make any claim or commence any legal proceedings against one another relating in any way to the Subject Insurance Policies, whether in law, equity, arbitration or otherwise, after the date this Agreement is executed, other than to enforce obligations created under this Agreement, unless and until five business days after this Agreement terminates pursuant to Paragraph VIII.

The Parties expressly waive and will not plead, argue or otherwise assert against one another any defense based on the passage of time, including limitations, laches and other similar defenses, with respect to the period from and including the date of this Agreement (or, in the case of the claims asserted in the Coverage Lawsuits, the date such claims were first filed against PLMCs) and ending five business days after this Agreement terminates pursuant to Paragraph VIII, provided, however, that the Parties expressly preserve any defenses based on the passage of time that existed as of the date this Agreement was executed (or, in the case of the claims asserted in the Coverage Lawsuits, the date such claims were first filed against PLMCs). The Parties acknowledge that there may be facts of which they are presently unaware concerning the claims governed by this Paragraph VII. They further acknowledge that they may be presently unaware of inferences from known facts. Such facts and inferences may support claims of which the Parties are presently unaware and the Parties confirm that from the date hereof all such claims shall be governed by the provisions of this Paragraph VII.

VIII. Conditions Precedent

PLMCs' obligation to pay the Payment Amount is expressly contingent upon and shall not be effective unless and until each and every one of the conditions precedent set forth in below in Paragraph VIII.A-E is either satisfied or expressly waived in writing by PLMCs.

A. Within ten (10) business days of the full execution and delivery of this Agreement, DII Industries shall cause to be filed in the DII Industries Bankruptcy an application to the Bankruptcy Court pursuant to Section 105 of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure seeking approval for DII Industries to enter into and carry out the terms and provisions of this Agreement. Such application shall have annexed thereto a revised Amended Plan Exhibit 2 listing this Agreement as an Asbestos/Silica Insurance Settlement Agreement.

B. Entry of a Final Order of the Bankruptcy Court in the DII Industries Bankruptcy approving this Agreement as a settlement in accordance with the provisions of Federal Rule of Bankruptcy Procedure 9019, which Order shall provide, among other things: (a) that this Agreement constitutes an "Asbestos/Silica Insurance Settlement Agreement" (as such term is defined in the Glossary); (b) PLMCs are Settling Asbestos/Silica Insurance Companies entitled to the protection of the "Asbestos/Silica Insurance Company Injunction" (as such term is defined in the Glossary) to be issued pursuant to the Amended Plan; (c) Exhibit 2 to the Amended Plan is amended to add PLMCs.; (d) that the provisions of this Agreement are binding on Halliburton, Reorganized DII Industries and Reorganized KBR; and (e) that the obligations of DII

Industries under this Agreement shall become the joint and several obligations of DII Industries, Reorganized DII Industries and Reorganized KBR.

C. Entry of a Final Order in the Harbison-Walker Bankruptcy confirming that the entry by Halliburton, DII Industries and PLMCs into this Agreement does not violate the automatic stay imposed by Section 362 of the Bankruptcy Code in the Harbison-Walker Bankruptcy or, in the alternative, granting relief from the automatic stay.

D. 1. Entry of the Confirmation Order, which Order shall be a Final Order, confirming the Amended Plan of the Debtors (as may be modified, but only to the extent such modifications do not conflict with or affect the rights of PLMCs),

2. Halliburton and DII Industries acknowledge and agree, without prejudice to the scope of the indemnity set forth in Paragraph V, that such indemnity applies to claims against PLMCs by other insurers of DII Industries, DII Entities, Halliburton Entities or Halliburton regardless whether the Asbestos/Silica Insurance Company Injunction, or any other provisions of the Amended Plan, precludes such claims.

E. No law has been passed by the United States Congress, at any time through and including January 3, 2005, that concerns, relates to, regulates, limits or controls the prosecution of Asbestos Claims in the State or Federal courts or in any other forum. This provision is intended to encompass what is commonly understood to be "asbestos reform" legislation and is not intended to encompass general tort reform, class action reform, malpractice reform, or tax reform legislation. By way of example and not limitation, such "asbestos reform" legislation would include the following bills

that have been introduced in the U.S. Congress, S. 413, S.1125, HR.1586, HR.1737 and HR.1114. It is the purpose and intent of this contingency to allow PLMCs to terminate this settlement without any obligation to Halliburton and DII Industries in the event that any such federal "asbestos reform" legislation is enacted at any time through and including January 3, 2005.

F. In addition to the conditions precedent set forth in Paragraph VIII.A-E above, PLMCs' obligation to make the full Final Payment is expressly conditioned on and shall not be effective unless and until a Final Order is entered in the Federal-Mogul Bankruptcy (a) approving the 50/50 split of limits described in Paragraph II.K above; or (b) confirming that this Agreement does not violate the automatic stay in that bankruptcy or, in the alternative, granting relief from the automatic stay. If this condition is not satisfied, or expressly waived in writing by the Parties, by December 31, 2005, then the Final Payment or final Installment Payment shall be reduced by an amount equal to the Worthington CIP Shared Limits. If this condition is satisfied, or expressly waived in writing by the Parties, by December 31, 2005, but PLMCs have incurred amounts in connection with claims under the Worthington CIP Shared Policies that are subject to the Worthington CIP Shared Limits, the Final Payment or final Installment Payment shall be reduced by such amounts.

G. Halliburton and DII Industries will use their best efforts to ensure that the conditions precedent set forth in Paragraph VIII.A-D and VIII.F are satisfied prior to December 31, 2005.

H. This Agreement shall terminate if the contingencies set forth in Paragraph VIII.A-E above are not satisfied by December 31, 2005, unless they are

expressly waived by all PLMCs through written notice to Halliburton and DII Industries. If this Agreement terminates pursuant to the preceding sentence, or Paragraph VIII.E above, the Parties revert to their positions immediately prior to the date of this Agreement. DII Industries, Halliburton and PLMCs shall, in that event, retain all of their rights, obligations and defenses relating to the Subject Insurance Policies as they exist as of the date of this Agreement. If any of the Settlement Amount has been paid prior to the time this Agreement terminates, the entire payment amount paid shall be reimbursed to each of the PLMCs. Notwithstanding such termination, however, the provisions of Paragraphs VII and XIII shall survive and shall be binding upon the Parties.

IX. Cooperation

A. Halliburton and DII Industries will undertake all reasonable actions to cooperate with PLMCs in connection with their reinsurers, including (at PLMCs' expense with respect to services and/or assistance provided by external Halliburton or DII Industries' vendors, and out-of-pocket expenses incurred by Halliburton or DII Industries) responding to reasonable requests for information and meeting with representatives of reinsurers. Such cooperation shall include providing PLMCs' representative, upon reasonable request, access to all claim files maintained by Halliburton, DII Industries and/or any Asbestos PI Trust or Silica PI Trust (provided access to any Asbestos PI Trust or Silica PI Trust is gained through Halliburton and/or DII Industries), including all product exposure, medical, claim status, and payment records contained in such files.

B. If and to the extent that PLMCs prepare an allocation of the Settlement Amount to the Subject Insurance Policies from which the shares allocated to insolvent insurers that subscribed to one or more of the Subject Insurance Policies can be derived, PLMCs shall cooperate with Halliburton and DII Industries (at DII Industries', and Halliburton's expense with respect to services and/or assistance provided by external vendors of PLMCs, and out-of-pocket expenses incurred by PLMCs) by directing London Market Claims Service ("LMCS") to provide to the Administrator/Liquidator of any insolvent company that insolvent company's share, if any, allocated on a per policy and per year basis. Such allocation will be provided directly to the Administrator/Liquidator of such insolvent company, and will not be provided directly to DII Industries or its broker. PLMCs shall notify Halliburton and DII Industries within thirty (30) days after such insolvent companies have been provided with the information set forth above, of the names and addresses of the persons to whom such information was provided and the date(s) on which such information was provided.

X. Claim Reporting

A. Halliburton and DII Industries agree that, until such time as they are advised by PLMCs that PLMCs' allocable share of payments with respect to third party bodily injury asbestos claims that are covered by the Subject Insurance Policies equals the Settlement Amount, or earlier if PLMCs so advise, Halliburton and DII Industries shall timely supply the data and assistance required by this Paragraph X.

B. Halliburton and DII Industries will provide PLMCs' representative with a detailed report concerning Asbestos and Silica claims activity for each calendar

quarter within 30 days of the end of each quarter (the first such report to be provided to PLMCs no later than January 31, 2005). Such reports (the "Reports") must include, with respect to Halliburton, DII Industries, the Asbestos PI Trust and the Silica PI Trust: the number of total claims filed, pending, settled, dismissed or that went to judgment; total indemnity paid and total expense paid. Such information shall be provided on both a quarterly and cumulative basis. For each claim resolved during the calendar quarter that is the subject of a Report, the report shall set forth: (i) the claimant's name; (ii) claim number; (iii) jurisdiction, if any; (iv) status (open or closed); (v) date of first exposure as set forth in the complaint or as reflected by information reasonably available to Halliburton or DII Industries; (vi) the asbestos product(s) or premises for which DII Entities or Halliburton Entities are responsible for which the claimant alleges exposure; (vii) the Person(s) within the definition of DII Entities or Halliburton Entities that the claimant alleges caused his injury; (viii) the alleged disease and, to the extent reasonably available to Halliburton or DII Industries by the exercise of its best efforts, the date of diagnosis; (ix) whether there is a medical diagnosis of the alleged disease; (xi) date of death if applicable; and (x) the amount of indemnity paid. Such Reports shall also include an allocation by policy and insurer of all payments with respect to the claims that are the subjects of the Reports made during that period and on a cumulative basis. Asbestos and silica bodily injury claims shall be allocated to the Subject Insurance Policies governed by the CIPs as provided in those agreements. The PLMCs acknowledge that certain of the information required to be included in the Reports must be obtained by Halliburton and DII Industries from the Asbestos PI Trust and the Silica PI Trust and, therefore, the PLMCs agree that neither Halliburton nor DII Industries shall

be in breach of their obligations hereunder for any delay or failure to obtain such information from the Asbestos PI Trust or Silica PI Trust so long as they are making a good faith effort to do so.

C. DII Industries and Halliburton agree to provide PLMCs (or their representatives) with access to any database(s) that DII Industries or Halliburton maintain or have the right to obtain access to for Asbestos or Silica claims from which the information set forth in Paragraph X.B above can be derived and further agree to cooperate with PLMCs to ensure that PLMCs are able to extract the information set forth in Paragraph X.B from such database(s).

D. PLMCs, or their representatives, shall have the right, upon reasonable notice, and at their expense, to audit all records that DII Industries or Halliburton maintain or have the right to obtain access to that relate to the claims to be reported to PLMCs under this Paragraph X.

XI. Payment Amount Assignment

A. DII Industries may from time to time assign all or any part of its rights in connection with the Payment Amount of any PLMC to any affiliate of DII Industries or any special purpose entity organized to effect a securitization of such Payment Amount by or on behalf of DII Industries or any such affiliate or other third party (each a "Permitted Policyholder Assignee"). DII Industries or any Permitted Policyholder Assignee may also collaterally assign its right in connection with the Payment Amount as security for any borrowing transaction by DII Industries or any Permitted Policyholder Assignee to the lender or a fiduciary thereof (each a "Collateral Assignee"). In the case of either a direct assignment to a Permitted Policyholder

Assignee or a collateral assignment to a Collateral Assignee, payments in respect to the Payment Amount shall in all cases be made to a single payee, which shall be a reputable financial institution (and may be acting as trustee, agent or other fiduciary capacity). If such change in the identity of the payee is made, proper notice in accordance with Paragraph XX shall be given. Any Collateral Assignee may assign its rights in connection with the Payment Amount to any person in the event of a default in the underlying borrowing transaction after which any such assignee may assign its rights in connection with the Payment Amount without restrictions.

B. No assignment(s) shall modify or assign any of the obligations of PLMCs, DII Industries or Halliburton under the Agreement.

C. Any payment by PLMCs pursuant to Paragraph XI.A shall satisfy PLMCs obligations under this Agreement to the same extent as if payment was made to DII Industries.

XII. Reasonably Equivalent Value

The Parties acknowledge and agree that: (i) this Agreement was bargained for and entered into in good faith and as the result of arms-length negotiations; (ii) based on their respective independent assessments, with the assistance and advice of counsel, of the Coverage Lawsuits, the Harbison-Walker Bankruptcy and the DII Industries Bankruptcy, the payments and other benefits to be received by DII Industries and Halliburton pursuant to the Agreement constitute a fair and reasonable settlement of the claims by DII Industries against PLMCs in such actions and constitute reasonably equivalent value for the release, indemnity, and other benefits received by PLMCs under the Agreement; and (iii) the Agreement constitutes a

full and final adjudication of all issues in the Coverage Lawsuits between DII Industries and PLMCs.

XIII. Warranty of Solvency

Halliburton and DII Industries represent and warrant to the PLMCs that: (i) as of the date of the Agreement they are solvent, in that at fair value their assets exceed their liabilities and they have the liquidity to pay their debts as they come due; (ii) as of the "Effective Date" (as such term is defined in the Glossary), Reorganized DII Industries and Reorganized KBR shall be solvent, in that at fair value their assets shall exceed their liabilities and they shall have the liquidity to pay their debts as they come due.

XIV. Confidentiality

A. The Parties agree that all matters relating to the negotiation of this Agreement shall be confidential and are not to be disclosed except by order of a court of competent jurisdiction or written agreement of the Parties.

B. In the event that a private litigant, by way of document request, interrogatory, subpoena, or questioning at deposition or trial, attempts to compel disclosure of anything protected by this Paragraph XIV, the Party from whom disclosure is sought shall decline to provide the requested information on the ground that this Confidential Settlement Agreement and Release prevents such disclosure. In the event that such private litigant seeks an order from any court or governmental body to compel such disclosure, or in the event that a court, government official, or governmental body (other than the Inland Revenue, Internal Revenue Service, Securities and Exchange Commission or Financial Services Authority) requests or requires disclosure of anything

protected by this Paragraph XIV, the Party from whom disclosure is sought shall immediately give written notice by facsimile or hand-delivery to the other Party, and shall immediately provide copies of all notice papers, orders, requests or other documents in order to allow each Party to take such protective steps as may be appropriate. Notice under this Paragraph XIV shall be made to the Persons identified in Paragraph XX of this Agreement. All costs incurred by a Party in accordance with this provision shall be the sole responsibility of the Party incurring such costs.

C. Material protected by this Paragraph XIV shall be deemed to fall within the protection afforded to compromises and offers to compromise by Rule 408 of the Federal Rules of Evidence and similar provisions of state law or state rules of court.

D. The Parties to this Agreement are free to issue press release(s) concerning this Agreement and may disclose any information contained in this Agreement or that otherwise is public or will be public upon the filing of the Rule 9019 motions.

XV. Non-Prejudice and Construction of Agreement

A. This Agreement is not a contract of insurance. This Agreement is not subject to rules or construction governing contracts of insurance, including without limitation the doctrine of contra proferentum. This Agreement is a compromise between the Parties and shall not be construed as an admission of coverage under the Subject Insurance Policies, nor shall this Agreement or any provision hereof be construed as a waiver, modification or retraction of the positions of the Parties with respect to the interpretation and application of the Subject Insurance Policies.

B. This Agreement is the product of informed negotiations and involves compromises of the Parties' previously stated legal positions. Accordingly, this Agreement does not reflect upon the Parties' views as to rights and obligations with respect to matters or Persons outside the scope of this Agreement. This Agreement is without prejudice to positions taken by the PLMCs with regard to other insureds, and without prejudice to positions taken by Halliburton or DII Industries with regard to other insurers. The Parties specifically disavow any intention to create rights in third parties under or in relation to this Agreement.

C. This Agreement is the jointly drafted product of arms-length negotiations between the Parties with the benefit of advice from counsel, and the Parties agree that it shall be so construed. As such, no party will claim that any ambiguity in this agreement shall, as a matter of law, be construed against the other party.

XVI. No Modification

A. DII Industries expressly agrees that it will not modify, amend or change the Amended Plan or Confirmation Order, that would in any way result in any term, provision or condition of the Amended Plan or Confirmation Order materially conflicting with or affecting the terms of this Agreement. Halliburton agrees that it will not cause DII Industries to take any actions prohibited by this Paragraph XVI.A. The PLMCs acknowledge that the Confirmation Order does not conflict with or affect the terms of this Agreement.

B. DII Industries shall provide PLMCs with as much advance written notice as practicable of any amendments they propose to make to the Amended Plan,

or of any provisions of a Confirmation Order, that they believe may conflict with or affect the rights of PLMCs, whether materially or not. PLMCs shall, as soon as practicable and in any event within 15 business days of receipt of such notice, advise Halliburton and DII Industries in writing if they believe that any such amendment would conflict with or affect their rights under this Agreement. The Parties agree to confer in good faith in an effort to modify any proposed Amendments to the Plan to prevent any conflict with or effect on the rights of PLMCs under this Agreement. PLMCs' failure to timely respond to a notice from Halliburton or DII Industries pursuant to this Paragraph XVI.B, and DII Industries filing of proposed amendments to the Amended Plan, shall not waive or modify in any way any of the conditions precedent set forth in Paragraph VIII or excuse Halliburton and DII Industries from complying with the provisions of Paragraph XVI.A above.

C. No change or modification of this Agreement shall be valid unless made in writing and signed by the Parties (or their attorney-in-fact) whose interests are affected by such change or modification.

XVII. Integration

This Agreement, including its Attachments, constitutes the entire agreement among the Parties with respect to the subject matter hereof, and supersedes all discussions, agreements and understandings, both written and oral, among the Parties with respect hereto, including PLMCs' participation in the CIPs.

XVIII. Governing Law

This Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of New York without regard to its choice of law rules.

XIX. Execution

There will be two signed originals of this Agreement, which may be executed in duplicate counterparts.

XX. Notices

Unless another person is designated, in writing, for receipt of notices hereunder, notices to the respective Parties shall be sent via overnight delivery to the following Persons:

HALLIBURTON COMPANY:	Albert O. Cornelison Jr., Esq. Executive Vice President and General Counsel Halliburton Company Five Houston Center 1401 McKinney, Suite 2400 Houston, TX 77010
With a copy to:	Michael G. Zanic, Esq. Kirkpatrick & Lockhart, LLP Henry W. Oliver Building 535 Smithfield Street Pittsburgh, PA 15222
DII INDUSTRIES:	DII Industries, LLC Five Houston Center 1401 McKinney, Suite 2400 Houston, TX 77010 Attn: General Counsel
With a copy to:	Michael G. Zanic, Esq. Kirkpatrick & Lockhart, LLP Henry W. Oliver Building 535 Smithfield Street Pittsburgh, PA 15222

PLMCS:

Thomas J. Quinn, Esq.
Mendes & Mount
750 Seventh Avenue
New York, New York 10019

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

PLMCs participating in the syndicates identified in Attachment B have each respectively designated Mendes & Mount, LLP as their attorneys-in-fact for the limited purpose of executing this Agreement on their behalf with express authority to do so.

HALLIBURTON COMPANY

By:_____

Name:_____

Title:_____

Date:_____

DII INDUSTRIES, LLC

By:_____

Name:_____

Title:_____

Date:_____

FOR PLMCS

By:_____

Name:_____

Title:_____

Date:_____

DRESSER INDUSTRIES, HARBISON WALKER, ET AL POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
50/1602/304	08/01/50 - 11/01/53
50/1696/147A	08/01/50 - 11/01/53
154027	08/01/50 - 11/01/53
464725	10/26/51 - 11/01/54
53/2384/517	11/01/53 - 11/01/54
UNKNOWN	11/01/54 - 11/01/56
492335	11/01/54 - 11/01/55
498335	11/01/55 - 11/01/56
498336	11/01/55 - 11/01/56
062803/BB.275346	08/01/56 - 11/01/59
500745	11/01/56 - 11/01/59
500744	11/01/56 - 11/01/59
500746	11/01/56 - 11/01/59
LA61190	11/01/57 - 11/01/59
BB299272-58/3813/1	02/23/58 - 11/01/59
BB299273-58/3813/1	02/23/58 - 11/01/59
511205	11/01/59 - 11/01/62
511206	11/01/59 - 11/01/62
511207	11/01/59 - 11/01/62
511208	11/01/59 - 11/01/62
519383	11/01/62 - 11/01/65
519384/5	11/01/62 - 11/01/65
532121	11/01/65 - 11/01/68
532122/3	11/01/65 - 11/01/68
528074	03/08/66 - 03/08/67
CX 0619	11/01/68 - 11/01/71
CX 4923	11/01/71 - 11/01/72
K24781	11/01/72 - 11/01/75
K24818	11/01/72 - 11/01/75
K25821	11/01/72 - 11/01/75
881/UGL 1292	11/01/75 - 11/01/78
509/79DD193C	11/01/78 - 11/01/79
RLJ 2198/31298A	11/01/78 - 11/01/79
RLJ 2199/21299A	11/01/78 - 11/01/79
881/WLG371	11/01/79 - 11/01/80
881/WLH151	11/01/79 - 11/01/80
881/WL2281	11/01/79 - 11/01/80
881/ULL 1229	11/01/79 - 11/01/80
WL 2291	11/01/79 - 11/01/80
881/ULL1230	11/01/79 - 11/01/80
WM-22014	11/01/80 - 11/01/81
WM-23010	11/01/80 - 11/01/81
WM-23011	11/01/80 - 11/01/81
551/WMBB-500	11/01/80 - 11/01/81
551/UMA0532	11/01/80 - 11/01/81
WN-30081	11/01/81 - 11/01/82

DRESSER INDUSTRIES, HARBISON WALKER, ET AL POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
WN-31034	11/01/81 - 11/01/82
UNA-0420	11/01/81 - 11/01/82
551/WNBB 500	11/01/81 - 11/01/82
551/WP-30053/4	11/01/82 - 11/01/83
551/WP-31019	11/01/82 - 11/01/83
WPBB-500	11/01/82 - 11/01/83
UPA 0373	11/01/82 - 11/01/83
551/WQCJ 100	11/01/83 - 11/01/84
WQCJ 200	11/01/83 - 11/01/84
551/UQA 0265	11/01/83 - 11/01/84
511/WQCG 900	11/01/83 - 11/01/84
834/EC 8425001	11/01/84 - 03/01/86
834/EC 8427001	11/01/84 - 03/01/86
834/EC 8430001	11/01/84 - 03/01/86
834/EC 8400420	11/01/84 - 03/01/86
834/EC 8400422	11/01/84 - 03/01/86
XS 8600139	03/01/86 - 11/01/87
XS 8600140	03/01/86 - 11/01/87
XS 8600141	03/01/86 - 11/01/87
EV 8600046	03/01/86 - 10/31/87
EV 8600047	03/01/86 - 10/31/87
EV 8600048	03/01/86 - 10/31/87
834/EV 8700560	11/01/87 - 11/01/88
834/EV 8700561	11/01/87 - 11/01/88
EA8800832	11/01/88 - 07/16/89
834/EA 8900430	07/16/89 - 07/01/90
9000419	07/01/90 - 07/01/91
DI-5097	07/01/90 - 07/01/91
EA910035	07/01/91 - 07/01/92
464724	10/26/51 - 11/01/54
MP805401/LA61189	11/01/57 - 11/01/60

WORTHING PUMP & MACHINERY CORPORATION, STUDEBAKER CORPORATION, & STUDEBAKER WORTHINGTON, INC. POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
U48/45256	01/09/48 - 01/01/49
U48/45255	01/09/48 - 01/01/49
U49/52236	01/01/49 - 01/01/50
U49/52235	01/01/49 - 01/01/50
U50/59783	01/01/50 - 01/01/51
U50/59782	01/01/50 - 01/01/51
U51/67664	01/01/51 - 01/01/52
U51/67665	01/01/51 - 01/01/52
U52/77186	01/01/52 - 01/01/53
U52/77187	01/01/52 - 01/01/53
U53/85205	01/01/53 - 01/01/54
U53/85206	01/01/53 - 01/01/54
U53/89558	07/28/53 - 07/28/54
U54/94351	01/01/54 - 01/01/55
U54/94352	01/01/54 - 01/01/55
U54/97762	07/28/54 - 07/28/55
U54/98988	08/16/54 - 08/16/55
55/102628	01/01/55 - 01/01/56
55/102629	01/01/55 - 01/01/56
55/106804	07/28/55 - 07/28/56
55/107673	08/16/55 - 08/16/56
56/110019	01/01//56 -01/01/57
56/110018	01/01//56 -01/01/57
56/114292	07/28/56 - 07/28/57
56/114251	08/16/56 - 08/16/57
57/117751	01/01/57 - 01/01/58
57/117750	01/01/57 - 01/01/58
57/121906	07/28/57 - 01/01/59
57/122537	08/16/57 - 01/01/59
58/125834	01/01/58 - 01/01/59
58/125833	01/01/58 - 01/01/59
59/134726	01/01/59 - 01/01/60
59/134725	01/01/59 - 01/01/60
59/134724	01/01/59 - 01/01/60
59/134723	01/01/59 - 01/01/60
60/142841	01/01/60 - 01/01/61
60/142842	01/01/60 - 01/01/61
60/142843	01/01/60 - 01/01/61
60/142844	01/01/60 - 01/01/61
60/149165	01/01/61 - 01/01/62
60/149166	01/01/61 - 01/01/62
60/149167	01/01/61 - 01/01/62
60/149168	01/01/61 - 01/01/62
62/155554	01/01/62 - 01/01/63
62/155555	01/01/62 - 01/01/63
62/155556	01/01/62 - 01/01/63
62/155557	01/01/62 - 01/01/63

WORTHING PUMP & MACHINERY CORPORATION, STUDEBAKER CORPORATION, & STUDEBAKER WORTHINGTON, INC. POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
63/161244	01/01/63 - 01/01/64
63/161245	01/01/63 - 01/01/64
63/161246	01/01/63 - 01/01/64
63/161247	01/01/63 - 01/01/64
63/167279	01/01/64 - 01/01/65
63/167280	01/01/64 - 01/01/65
63/167281	01/01/64 - 01/01/65
64/172162	10/22/64 - 01/01/66
65/173043	01/01/65 - 01/01/66
65/173041	01/01/65 - 01/01/66
65/173042	01/01/65 - 01/01/66
66/178239	01/01/66 - 01/01/67
66/178240	01/01/66 - 01/01/67
66/178241	01/01/66 - 01/01/67
66/178242	01/01/66 - 01/01/67
K 16272	01/01/67 - 01/01/68
K 16273	01/01/67 - 01/01/68
CU 7525	01/01/67 - 01/01/68
CU 7527	01/01/67 - 01/01/68
69/14282/1/BB 12188Z	04/21/69 - 03/21/72
564/UC0016	01/01/71 - 05/01/73
564/UC0017	01/01/71 - 11/15/73
564/UC0018	01/01/71 - 11/15/73
501/A7414904	10/01/74 - 03/13/77
509/77DD740C	01/01/77 - 01/01/78
509/77DD1308C	03/13/77 - 01/01/78
PY035478 / 78DD491	01/01/78 - 03/01/79
PY035578 / 78DD492	01/01/78 - 03/01/79
PY035678 / 78DD493	01/01/78 - 03/01/79
PY035479 / 79DD1408	03/01/79 - 03/01/80
PY035579 / 79DD1409	03/01/79 - 03/01/80
PY035679 / 79DD1410	03/01/79 - 03/01/80
PY105379 / 79DD1816	05/15/79 - 05/15/80
543/55162/80	03/01/80 - 03/01/81
543/55163/80	03/01/80 - 03/01/81
PY272985	03/01/85 - 03/01/86
PY273085	03/01/85 - 03/01/86
CK2285/A/57/256	12/01/57 - 01/01/61
CK2286/A/57/256U	12/01/57 - 01/01/61
CK2287/A/57/256U	12/01/57 - 01/01/61
K47828	12/01/57 - 01/01/61
K78570	01/01/64 - 01/01/67

REED ROLLER BIT POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
512078	03/15/60 - 03/15/61
512079	03/15/60 - 03/15/61
512080	03/15/60 - 03/15/61
516967	03/15/61 - 07/01/63
521391	07/01/63 - 07/01/66
532015	01/14/66 - 07/01/66

AMERICAN LOCOMOTIVE COMPANY POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
543 AM 570132	01/01/57 - 01/01/58
543 AM 570133	01/01/57 - 01/01/58
543 AM 580459	01/01/58 - 01/01/59
543 AM 580460	01/01/58 - 01/01/59
543 AM 580457	01/01/58 - 01/01/59
543 AM 580458	01/01/58 - 01/01/59
543 AM 590106	01/01/59 - 01/01/60
543 AM 590107	01/01/59 - 01/01/60
543 AM 600086	01/01/60 - 01/01/61
543 AM 600087	01/01/60 - 01/01/61

NL INDUSTRIES POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
F20866	11/19/49 - 02/01/50
F20867	11/19/49 - 02/01/50
F20868	11/19/49 - 02/01/50
F22368	02/01/50 - 08/13/52
F22369	02/01/50 - 08/13/52
F22370	02/01/50 - 08/13/52
F31955	08/13/52 - 05/01/55
F31956	08/13/52 - 05/01/55
F31957	08/13/52 - 05/01/55
F31958	08/13/52 - 05/01/55
F42922	05/01/55 - 05/01/58
F42923	05/01/55 - 05/01/58
F42924	05/01/55 - 05/01/58
F42921	05/01/55 - 05/01/58
F54989	05/01/58 - 05/01/61
F54990	05/01/58 - 05/01/61
F54991	05/01/58 - 05/01/61
F54992	05/01/58 - 05/01/61
F66400	05/01/61 - 05/01/64
F66401	05/01/61 - 05/01/64
F66402	05/01/61 - 05/01/64
F66403	05/01/61 - 05/01/64
F66404	05/01/61 - 05/01/64
F73344	05/01/64 - 05/01/67
F73345	05/01/64 - 05/01/67
F73346	05/01/64 - 05/01/67
F73347	05/01/64 - 05/01/67
F78313	05/01/67 - 05/01/70
F78314	05/01/67 - 05/01/70
F78315	05/01/67 - 05/01/70
F78316	05/01/67 - 05/01/70
881/UHL 0439	03/31/76 - 03/01/79
881/UHL 0441	03/31/76 - 03/01/79
881/UJL 0236	03/01/77 - 03/01/78
881/UKL 0873	03/01/78 - 03/01/79
881/UKL 0874	03/01/78 - 03/01/79
881/ULL 0304	03/01/79 - 03/01/82
881/ULL 0305	03/01/79 - 03/01/80
881/ULL 0306	03/01/79 - 03/01/80
51 UMA 0140	03/01/80 - 03/01/81
551 UMA 0141	03/01/80 - 03/01/81
A0145	03/01/81 - 03/01/82
551 UNA0146	03/01/81 - 03/01/82
551 UPA 0067	03/01/82 - 03/01/85

NL INDUSTRIES POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
551 UPA 0068	03/01/82 - 03/01/85
551 UPA 0069	03/01/82 - 03/01/83
551 UQA 0049	03/01/83 - 03/01/84
551 URA 0040	03/01/84 - 03/01/85
USA 0087	03/01/85 - 03/01/86
USA 0088	03/01/85 - 03/01/86
551 USA 0084	03/01/85 - 03/01/88
551 USA 0085	03/01/85 - 03/01/86
551/USA 0086	03/01/85 - 03/01/86
5KA 17080	03/01/85 - 03/01/86
5KA 1790	03/01/85 - 03/01/86
A0111	03/01/86 - 03/01/87
TA0112	03/01/86 - 03/01/87
KA27120	03/01/87 - 07/01/88
UVA0128	03/01/87 - 07/01/88
UVA0129	03/01/87 - 07/01/88
UVA0130	03/01/87 - 07/01/88
UVA0131	03/01/87 - 07/01/88
UAA0298	07/01/88 - 07/01/89
AA0299	07/01/88 - 01/01/89
88E0894/4A SECTION 2	07/01/89 - 08/01/90
89K0107	07/01/89 - 08/01/90
89K0106	07/01/89 - 08/01/90

KELLOGG BROWN & ROOT, INC. POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
CK 2220	05/15/57 - 01/01/61
CK 2221	05/15/57 - 01/01/61
K47470	05/15/57 - 01/01/61
K47471	05/15/57 - 01/01/61
K47472	05/15/57 - 01/01/61
K65093	01/01/61 - 01/01/64
K65094/K63150	01/01/61 - 01/01/64
K65095	01/01/61 - 01/01/64
CERTIFICATE 149	04/03/61 - 01/01/64
CU 3019	01/01/64 - 01/01/67
CU 3022	01/01/64 - 01/01/67
CU 3023	01/01/64 - 01/01/67
CU 6900	09/13/66 - 01/01/70
CU 7400	01/01/67 - 01/01/70
CU 7401	01/01/67 - 01/01/70
CU 7402	01/01/67 - 01/01/70
WBL661/ARR673/S 20041	01/01/70 - 01/01/71
WBL671/ARR673/S 20042	01/01/70 - 01/01/71
WB0651/S 20043	01/01/70 - 01/01/71
WB0661/S 20044	01/01/70 - 01/01/71
WB0671/S 20054	01/23/70 - 01/01/71
WCL081/ARR673/S 20109	01/01/71 - 01/01/72
WCL091/S 20110/20120	01/01/71 - 01/01/72
WC0421/S 20111/S 20121	01/01/71 - 01/01/72
WC0431/S 20118/S 20122	01/01/71 - 01/01/72
WDL181/ARR673/S 20153/S 20161	01/01/72 - 01/01/73
WDL191/S 20154/S 20162	01/01/72 - 01/01/73
WDR081/S 20155/S 20159	01/01/72 - 01/01/73
WDO171/S 20156/S 20160	01/01/72 - 01/01/73
S 20165	01/01/72 - 01/01/73
WDO771/S 20166	02/01/72 - 01/01/73
WEL081/S 20207/S 20216	01/01/73 - 01/01/74
WEL091/S 20208	01/01/73 - 01/01/74
WER041/S 20209	01/01/73 - 01/01/74
S 20210	01/01/73 - 01/01/74
WEO091/S 20211	01/01/73 - 01/01/74
WFL111/ARR744/S 20262	01/01/74 - 01/01/75
WFL112/S 20267	01/01/74 - 01/01/75
WFR051/S 20268	01/01/74 - 01/01/75
WFO181/S 20269	01/01/74 - 01/01/75
WFO191/UFL0022/S 20270	01/01/74 - 01/01/75
WGL041/WHL071/ARR673/S 20332	01/01/75 - 01/01/77
WGL051/WHL081/ARR673/S 20348	01/01/75 - 01/01/77
WGR031/WHR041/ARR744/S 20349	01/01/75 - 01/01/77
WGO071/WHO141/S 20350	01/01/75 - 01/01/77
WGO81/WHO151/S 20351	01/01/75 - 01/01/77
WJT011/S 20500	01/01/77 - 01/01/78

KELLOGG BROWN & ROOT, INC. POLICIES

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
WJT021/S 20501	01/01/77 - 01/01/78
WJT031/S 20502	01/01/77 - 01/01/78
WJO141/S 20513	01/01/77 - 01/01/78
WJO121/S 20514	01/01/77 - 01/01/78
S 20516	01/01/77 - 01/01/78
WKT061/WLT021/WL16002/S 20570	01/01/78 - 01/01/81
WKT071/WLT031/WL16003/S 20611	01/01/78 - 01/01/81
WKO201/WLO061/WMAA5/S 20612	01/01/78 - 01/01/81
WKO111/WLO071/WMAA6/S 20613	01/01/78 - 01/01/81
WKO121/WLO081/WMAA7/S 20614	01/01/78 - 01/01/81
WKO131/WLO091/WMAA81/S 20615	01/01/78 - 01/01/81
S 20616	01/01/78 - 01/01/81
WLO141/WMAA9/S 20733	01/01/79 - 01/01/81
S 21000	01/01/81 - 01/01/82
S 21001	01/01/81 - 01/01/85
S 21002	01/01/81 - 01/01/85
S 21003	01/01/81 - 01/01/85
S 21004	01/01/81 - 01/01/85
S 21005	01/01/81 - 01/01/85
S 21043	01/01/81 - 01/01/85
S 21100/311093/310318/311093/CON653	01/01/82 - 01/01/85
S 21160/338021/338074/CON653	01/01/85 - 01/01/86
S 21161/338019/338074/CON653	01/01/85 - 01/01/86
S 21162	01/01/85 - 01/01/86
S 21163	01/01/85 - 01/01/86
S 21164	01/01/85 - 01/01/86
S 21165	01/01/85 - 01/01/86
S 21166	01/01/85 - 01/01/86
S 21200/339035/339954/CON653	01/01/86 - 06/01/87
S 21201/339035/CON653	01/01/86 - 06/01/87
S 2102	01/01/86 - 01/01/87
S 21203	01/01/86 - 01/01/87
S 21204	01/01/86 - 01/01/87
S 21205	01/01/86 - 01/01/87
S 21206	01/01/86 - 06/01/87
S 21235/346834/346835/346840	01/01/87 - 06/01/87
S 21236	01/01/87 - 06/01/87
S 21237	01/01/87 - 06/01/87
S 21238	01/01/87 - 06/01/87
S 21250/346834/346835/346840	06/01/87 - 12/01/88
S 21251	06/01/87 - 12/01/88
S 21252	06/01/87 - 12/01/88
S 21253	06/01/87 - 12/01/88
S 21254	06/01/87 - 12/01/88
EII-1966/810643	
EIBR0390A01-Sect.IV(A)	

ATTACHMENT B

*agreement pending

- ACCIDENT & CASUALTY CO.
- ACCIDENT & CASUALTY INSURANCE COMPANY OF WINTERTHUR (NO. 2 A/C)
- ACCIDENT & CASUALTY INSURANCE COMPANY OF WINTERTHUR (NO. 3 A/C)
- ACE INA UK LIMITED
- AGF INTERNATIONAL
- ALBA GENERAL INSURANCE COMPANY LIMITED
- ALLIANCE ASSURANCE COMPANY LIMITED
- ALLIANZ CORNHILL INSURANCE PLC
- ALLIANZ MARINE & AVIATION (FRANCE)
- ALLIANZ SUISSE INSURANCE COMPANY
- ANGLO-FRENCH INSURANCE COMPANY LIMITED
- ARGONAUT NORTHWEST INSURANCE COMPANY
- ASSICURAZIONI GENERALI SPA (UK BRANCH)
- ATLANTIC MUTUAL INSURANCE COMPANY
- AXA BELGIUM (FKA ROYALE BELGE INCENDIE REASSURANCES S.A. D'ASSURANCES)
- BALOISE INSURANCE COMPANY LIMITED
- BRITISH LAW INSURANCE COMPANY LIMITED
- BRITISH NORTHWESTERN INSURANCE COMPANY
- BRITISH TRADERS INSURANCE COMPANY LIMITED
- CENTURY INSURANCE COMPANY LIMITED
- CHEVANSTELL LIMITED (FKA BALTICA-SKANDINAVIA INSURANCE COMPANY (UK) LIMITED)
- CIGNA INTERNATIONAL FORMERLY HOME INSURANCE COMPANY
- CNA REINSURANCE OF LONDON LIMITED
- COMMERCIAL UNION ASSURANCE COMPANY PLC
- COMMERCIAL UNION ASSURANCE OF UK LTD. TRADING AS EDINBURGH ASSURANCE COMPANY. EDINBURGH NO 2 A/C
- COMPAGNIE D'ASSURANCES MARITIMES AERIENNES ET TERRESTRES
- COMPANHIA DE SEGUROS FIDELIDADE SA
- COMPANHIA DE SEGUROS IMPERIO S.A.*
- COMPAGNIE EURO-BELGE DE REASSURANCES
- CONTINENTAL INSURANCE CO. NEW YORK
- CONTINENTAL PER TOWER
- CONTINGENCY INSURANCE COMPANY LIMITED
- CORNHILL INSURANCE PLC
- CORNHILL INSURANCE COMPANY LIMITED
- DAI-TOKYO INSURANCE COMPANY (UK) LIMITED
- DELTA-LLOYD NON-LIFE INSURANCE COMPANY LIMITED
- DRAKE INSURANCE COMPANY LIMITED
- EAGLE STAR INSURANCE COMPANY LIMITED
- EUROPEAN REINSURANCE COMPANY OF ZURICH

ATTACHMENT B

*agreement pending

- ELDERS INSURANCE COMPANY LIMITED
- ENGLISH & SCOTTISH MARITIME & GENERAL INSURANCE
- EXCESS INSURANCE COMPANY LIMITED
- FIDELIDADE INSURANCE COMPANY
- FINE ART & GENERAL INSURANCE COMPANY LIMITED
- FORTIS INSURANCE LTD.
- FUJI INTERNATIONAL INSURANCE COMPANY LIMITED
- GUARDIAN ROYAL EXCHANGE ASSURANCE PLC
- HEDDINGTON INSURANCE (UK) LIMITED
- HEDDINGTON INSURANCE COMPANY (UK) LIMITED
- HELVETIA SWISS INSURANCE COMPANY LTD
- HISCOX INSURANCE COMPANY LTD
- HOME & OVERSEAS INSURANCE COMPANY LIMITED
- INDEMNITY MARINE ASSURANCE LIMITED
- INSCO LTD, BRITAMCO LTD, VARIOUS COMPANIES PER
- INSTITUTO DE REASSEGUROS DO BRASIL (IRB) – LONDON BRANCH
- INTERNATIONAL INSURANCE COMPANY LIMITED*
- IRON TRADES MUTUAL INSURANCE COMPANY LIMITED
- LA MINERVE COMPAGNIE
- LA PRESERVATRICE C.A. D'ASSURANCES A.I.R.D.
- LA UNION ATLANTIQUE S.A.
- LIVERPOOL MARINE & GENERAL INSURANCE COMPANY LTD.
- LONDON & EDINBURGH INSURANCE COMPANY LIMITED
- LONDON & HULL MARITIME INSURANCE COMPANY LIMITED
- LONDON & HULL 3066/05 POOL*
- LONDON & SCOTTISH INSURANCE COMPANY/LONDON & SCOTTISH ASSURANCE CORPORATION
- LONDON AND EDINBURGH GENERAL INSURANCE COMPANY LIMITED
- MARINER UNDERWRITING AGENCIES LIMITED
- MARLON INSURANCE COMPANY LIMITED (FORMERLY:SKANDIA MARINE INSURANCE COMPANY (UK) LIMITED AND FORMERLY VESTA (UK) INSURANCE COMPANY LIMITED)
- MINSTER INSURANCE COMPANY LIMITED
- MITSUI SUMITOMO INSURANCE COMPANY (EUROPE) LTD
- NATIONAL CASUALTY COMPANY
- NATIONAL CASUALTY COMPANY OF AMERICA LIMITED
- NATIONAL CASUALTY COMPANY OF DETROIT
- NATIONAL INSURANCE OF NEW ZEALAND
- NATIONAL PROVINCIAL INSURANCE COMPANY LIMITED
- NEW LONDON REINSURANCE COMPANY LIMITED
- NIPPON INSURANCE COMPANY OF EUROPE LIMITED
- NORTHERN ASSURANCE COMMUNE LIMITED
- NRG VICTORY REINSURANCE LTD

ATTACHMENT B

*agreement pending

- NYMAR INSURANCE COMPANY OF NORTH AMERICA*
- OCEAN MARINE INSURANCE COMPANY LIMITED
- OSLO REINSURANCE COMPANY (UK) LTD (F.K.A. STOREBRAND INS CO)
- PARIS INTERNATIONAL RE (PIR) (EX PFA RE)
- PEARL ASSURANCE PLC
- PHOENIX ASSURANCE, plc
- PLANET ASSURANCE COMPANY LIMITED
- POLARIS ASSURANCE COMPANY
- PROVINCIAL INSURANCE PLC
- QBE INTERNATIONAL INSURANCE LIMITED
- RELIANCE FIRE & ACCIDENT INSURANCE CORPORATION
- RIVER THAMES INSURANCE COMPANY LIMITED
- ROYALE BELGE SA
- ROYALE BELGE INCENDIE REASSURANCE S.A. D'ASSURANCES
- ROYAL & SUN ALLIANCE REINSURANCE LTD
- ROYAL INSURANCE PLC
- ROYAL INSURANCE FORMERLY BRITISH FIRE INSURANCE COMPANY
- SIRIUS INSURANCE COMPANY (UK) LIMITED
- SKANDIA INTERNATIONAL INSURANCE CORPORATION
- SKANDIA UK INSURANCE PLC (PREVIOUSLY KNOWN AS ORG RE (UK) LIMITED)
- SOUTHERN INSURANCE COMPANY LIMITED
- SPHERE DRAKE INSURANCE COMPANY (UK) LIMITED
- SPHERE INSURANCE COMPANY LTD
- ST. KATHERINE INSURANCE COMPANY PLC
- SUECIA RE & MARINE INSURANCE COMPANY LIMITED (FORMERLY HANSA RE & MARINE INSURANCE COMPANY (UK) LTD AND FORMERLY HANSA MARINE INSURANCE COMPANY (UK) LIMITED)
- SWISS NATIONAL INSURANCE COMPANY LIMITED
- SWISS UNION INSURANCE COMPANY
- SWITZERLAND GENERAL INSURANCE COMPANY LIMITED
- SWITZERLAND GENERAL INSURANCE COMPANY LONDON LIMITED
- SR INTERNATIONAL BUSINESS INSURANCE COMPANY LTD (FKA SWITZERLAND INSURANCE COMPANY (UK) LIMITED)
- TAISHO MARINE & FIRE INSURANCE COMPANY (UK) LIMITED
- TAISHO MARINE & FIRE INSURANCE COMPANY (EUROPE) LIMITED
- TENECOM LTD (FORMERLY YASUDA FIRE & MARINE INSURANCE COMPANY OF EUROPE LIMITED)
- TENECOM LTD (FORMERLY YASUDA FIRE AND MARINE INSURANCE COMPANY (UK) LIMITED)
- TERRA NOVA INSURANCE COMPANY LIMITED
- THE BALOISE FIRE INSURANCE COMPANY LIMITED
- THE BALOISE INSURANCE COMPANY LIMITED
- THE BRITISH & EUROPEAN REINSURANCE COMPANY LTD

ATTACHMENT B

*agreement pending

- THE BRITISH AVIATION INSURANCE COMPANY LIMITED
- THE CONTINENTAL INSURANCE CO. (UK) LTD.
- THE MERCANTILE & GENERAL REINSURANCE COMPANY LTD
- THE MOTOR UNION INSURANCE COMPANY LIMITED
- THE NIPPON FIRE & MARINE INSURANCE COMPANY
- THE NIPPON FIRE & MARINE INSURANCE COMPANY (UK) LIMITED
- THE PRUDENTIAL ASSURANCE COMPANY LIMITED
- THE SCOTTISH LION INSURANCE COMPANY LIMITED
- THE SUMITOMO MARINE AND FIRE INSURANCE COMPANY, LIMITED
- THREADNEEDLE INSURANCE COMPANY LIMITED
- TOKIO MARINE EUROPE INSURANCE LTD (TMEI)
- TOWER INSURANCE LTD
- TUREGUM INSURANCE COMPANY LIMITED
- ULSTER MARINE INSURANCE COMPANY LIMITED
- UNIONAMERICA INSURANCE COMPANY LIMITED
- WEIR NZSB 'Q' A/C
- WEIR NZSB 'R' A/C
- WEIR SB A/C
- WEIR SBT A/C
- WINTERTHUR SWISS INSURANCE COMPANY
- WORLD AUXILIARY INSURANCE CORPORATION LIMITED
- WORLD MARINE & GENERAL INSURANCE COMPANY
- WURTTEMBERGISCHE FEUERVERSICHERUNG AG*
- YASUDA FIRE & MARINE INSURANCE COMPANY
- YORKSHIRE INSURANCE COMPANY LIMITED

INSURER	To Be Paid to DII	To Cause To Be Paid To DII	Adj. Total Insurer Share
ACCIDENT & CASUALTY CO PER HSW	$ 166,399.86	$ 45,220.94	$ 211,620.80
ACCIDENT & CASUALTY CO NO 2 A/C PER HSW	$ 1,173,660.81		$ 1,173,660.81
ACCIDENT & CASUALTY CO NO 3 A/C PER HSW	$ 175,881.57		$ 175,881.57
ALLIANZ INTERNATIONAL (EX SOVRGN POOL)	$ 1,017,189.48		$ 1,017,189.48
ANGLO FRENCH	$ 403,332.76		$ 403,332.76
ARGONAUT NORTHWEST INS CO PER HSW	$ 1,182,551.44	$ 38,520.12	$ 1,221,071.56
BALTICA-SKAN (UK)	$ 58,554.29		$ 58,554.29
BISHOPSGATE 'F' A/C	$ 3,334,977.09	$ 51,970.16	$ 3,386,947.25
BISHOPSGATE INS CO.	$ 19,528.08		$ 19,528.08
BISHOPSGATE INS COMPANY PER HSW (nka Fortis Insurance Ltd)	$ 189,339.87		$ 189,339.87
BISHOPSGATE 'Q' A/C	$ 1,078,757.87		$ 1,078,757.87
BRITISH AVIATION INS	$ 48,375.65		$ 48,375.65
BRITISH LAW	$ 1,439,275.96		$ 1,439,275.96
BRITISH LAW 2 A/C	$ 868,433.50		$ 868,433.50
BRITISH NORTH WESTERN INS CO	$ 1,497,294.98	$ 205,791.86	$ 1,703,086.84
C.U. T/A EDINBURGH 2	$ 99,526.30		$ 99,526.30
CAMAT PER C.U.A.L.	$ 2,691,104.45		$ 2,691,104.45
CNA RE	$ 97,204.63	$ 4,868.79	$ 102,073.42
CORNHILL M A/C	$ 575,662.03		$ 575,662.03
DELTA-LLOYD NON LIFE PER HSW	$ 236,018.03	$ 7,695.66	$ 243,713.69
DRAKE (EX ORION65%DRAKE17.5%SPHERE17.5%)	$ 159,701.20		$ 159,701.20
EDINBURGH NO 2 A/C	$ 87,157.54		$ 87,157.54
ECONOMIC (P/O E&A M 2 GP)	$ 21,864.26		$ 21,864.26
EUROBELGE PER THILLY RE, BELGIUM.	$ 26,506.68		$ 26,506.68
EXCESS	$ 7,190,267.47	$ 567,000.58	$ 7,757,268.05
EXCESS INS CO.	$ 4,738,285.44		$ 4,738,285.44
GENERALI	$ 85,624.52	$ 30,476.78	$ 116,101.30
GIBBON A GROUP	$ 451,920.19	$ 109,271.33	$ 561,191.52
GIBBON B02 GROUP	$ 49,742.70		$ 49,742.70
GIBBON C13 GROUP	$ 1,154,127.60		$ 1,154,127.60
GIBBON C14 GROUP	$ 103,906.17		$ 103,906.17
GIBBON D10 GROUP	$ 11,980.42		$ 11,980.42
GIBBON D15 GROUP	$ 15,185.18		$ 15,185.18
GIBBON E GROUP	$ 1,403,883.87		$ 1,403,883.87
HANSA MARINE T GP	$ 6,952,420.74	$ 66,941.69	$ 7,019,362.43
HEDDINGTON (UK)	$ 1,480,584.84		$ 1,480,584.84
HOME AND OVERSEAS	$ 59,902.09		$ 59,902.09
ICNA (UK) "G" A/C	$ 20,618,224.07	$ 183,083.17	$ 20,801,307.24
ICNA (UK) O A/C	$ 321,791.04		$ 321,791.04
INDEMNITY MARINE	$ 10,116,899.82	$ 114,261.12	$ 10,231,160.94
INDEMNITY MARINE ASS	$ 105,128.17		$ 105,128.17

INSURER	To Be Paid to DII	To Cause To Be Paid To DII	Adj. Total Insurer Share
IRON TRADES	$ 524,711.35	$ 4,440.64	$ 529,151.99
LONDON & EDINBURGH GENERAL INS PER HSW	$ 1,152,379.97	$ 171,635.52	$ 1,324,015.49
LONDON & EDINBURGH GENERAL PER TOWER	$ 322,992.51		$ 322,992.51
LONDON & HULL 2 A/C	$ 974,396.86	$ 823.43	$ 975,220.29
LONDON & HULL M'TIME	$ 1,743,967.95		$ 1,743,967.95
LONDON & SCOTTISH	$ 52,564.09		$ 52,564.09
MINSTER / RELIANCE / IRON TRADES	$ 59,885.33	$ 18,495.85	$ 78,381.18
MINSTER 2 A/C	$ 1,498,628.02		$ 1,498,628.02
MINSTER 3 A/C	$ 1,001,569.63		$ 1,001,569.63
MINSTER PER HEYWOOD / GENERAL RE SYND	$ 147,936.86		$ 147,936.86
MINSTER NON-MARINE	$ 133,342.06		$ 133,342.06
NAT INS OF N.Z. T1 A/C	$ 653,731.60	$ 11,988.11	$ 665,719.71
NATIONAL CAS. CO OF AMERICA LTD PER HSW	$ 371,850.85		$ 371,850.85
NATIONAL CASUALTY CO PER HSW	$ 2,020,253.01	$ 275,548.70	$ 2,295,801.71
NEW LONDON PER HEYWOOD / GEN RE SYND	$ 263,400.54	$ 28,729.09	$ 292,129.63
NIPPON (P/O E&A MS3 GP)	$ 687,957.56	$ 1,267.53	$ 689,225.09
NIPPON (P/O E&A T2 A/C)	$ 156,276.01		$ 156,276.01
NORTHERN NO 6 A/C	$ 1,865,417.02		$ 1,865,417.02
NORTHERN U/A TA/C	$ 448,939.22		$ 448,939.22
OCEAN MARINE	$ 7,907,478.08	$ 8,409.34	$ 7,915,887.42
PHOENIX	$ 726,615.30		$ 726,615.30
POLARIS N/T A/C	$ 118,292.03	$ 2,942.52	$ 121,234.55
POLARIS G A/C	$ 434,949.09		$ 434,949.09
PRESERVATRICE	$ 87,831.44		$ 87,831.44
PRESERVATRICE A GP	$ 292,771.47		$ 292,771.47
PROVINCIAL	$ 752,397.42	$ 5,621.48	$ 758,018.90
PRUDENTIAL GRP 9	$ 4,636,672.83		$ 4,636,672.83
PRUDTNL TRUST	$ 7,546,769.81	$ 63,797.11	$ 7,610,566.92
QBE	$ 935,374.50	$ 5,528.16	$ 940,902.66
RIVER THAMES	$ 489,309.20		$ 489,309.20
RIVER THAMES INS CO (UP TO 31-DEC-1970)	$ 595,278.31		$ 595,278.31
SCOTTISH LION	$ 219,840.68		$ 219,840.68
SKANDIA (ORION80%YASUDA10%SKANDIA10%)	$ 762,627.80	$ 702.63	$ 763,330.43
SKANDIA (EX ORION85%YASUDA10%SKANDIA5%)	$ 151,826.59		$ 151,826.59
SKANDIA , SWEDEN	$ 583,678.02		$ 583,678.02
SOUTHERN INS CO.	$ 15,185.18		$ 15,185.18
SPHERE DRAKE NO 2	$ 1,187,309.45	$ 15,419.74	$ 1,202,729.19
SPHERE GP 2	$ 539,758.00		$ 539,758.00
SPHERE(EX ORION65%DRAKE17.5%SPHERE17.5%)	$ 159,701.20		$ 159,701.20
SPHERE/DRAKE 50% SPHERE 50% DRAKE	$ 615,338.22		$ 615,338.22
ST KATHERINE INS CO LTD PER HSW	$ 1,053,357.77	$ 37,857.13	$ 1,091,214.90

INSURER	To Be Paid to Dll	To Cause To Be Paid To Dll	Adj. Total Insurer Share
ST KATHERINE INS CO LTD (X A/C) PER HSW	$ 221,605.19		$ 221,605.19
ST KATHERINE INS.CO.PLC.	$ 1,005,935.82		$ 1,005,935.82
STOREBRAND INS (EX SOVRGN POOL)	$ 678,022.69		$ 678,022.69
SUMITOMO (EUROPE) -RIG ACCOUNT	$ 973,148.24	$ 30,456.37	$ 1,003,604.61
SWISS UNION PER HEYWOOD	$ 2,089,728.72	$ 62,690.67	$ 2,152,419.39
SWITZ.GEN (P/O E&A MS3 GP) (3140/05/8)	$ 1,400,267.90		$ 1,400,267.90
TAISHO MARINE & F (EX SOVRGN POOL)	$ 1,697,555.65	$ 7,613.93	$ 1,705,169.58
TERRA NOVA INS	$ 2,773,840.32	$ 67,002.49	$ 2,840,842.81
TERRA NOVA INS CO LTD	$ 1,769,838.98		$ 1,769,838.98
THREADNEEDLE (TIC)	$ 6,735,284.38	$ 100,360.26	$ 6,835,644.64
THREADNEEDLE INS CO.	$ 17,790.92		$ 17,790.92
TOKIO MARINE & F (EX SOVRGN POOL)	$ 2,548,064.74	$ 13,163.31	$ 2,561,228.05
TUREGUM INS CO.	$ 4,434,774.96	$ 245,654.19	$ 4,680,429.15
UNIONAMERICA INS. CO	$ 401,813.02	$ 17,552.75	$ 419,365.77
WEIR NZSB 'Q' A/C	$ 274,796.92	$ 15,989.40	$ 290,786.32
WEIR NZSB 'R' A/C	$ 257,925.91		$ 257,925.91
WEIR SB A/C	$ 307,652.38		$ 307,652.38
WEIR SBT A/C	$ 249,837.77		$ 249,837.77
WINTERTHUR SWISS INS CO PER HSW	$ 827,175.85	$ 28,967.15	$ 856,143.00
WORLD AUXILIARY	$ 428,615.38		$ 428,615.38
YASUDA (EX ORION85%YASUDA10%SKANDIA5%)	$ 361,603.49	$ 10,695.31	$ 372,298.80
YASUDA FIRE & MARINE INS CO (UK) LTD	$ 1,073,978.60		$ 1,073,978.60
YASUDA FIRE & MARINE INS CO (UK) PER HSW	$ 81,457.44		$ 81,457.44
YASUDA FIRE AND MARINE FRONTING	$ 527,631.41		$ 527,631.41
YASUDA INS (EX ORION 95% YASUDA 5%)	$ 144,609.20		$ 144,609.20
YASUDA INS (ORION80%YASUDA10%SKANDIA10%)	$ 744,936.42		$ 744,936.42
YASUDA INS CO EX ORION 90% YASUDA 10%	$ 330,778.99		$ 330,778.99
YASUDA, UK	$ 850,074.37	$ 27,197.92	$ 877,272.29
YORKSHIRE L A/C	$ 1,258,051.17		$ 1,258,051.17
BALOISE FIRE INS CO PER HSW	$ 23,781.13		$ 23,781.13
FIDELIDADE INS CO PER HSW	$ 33,687.05		$ 33,687.05
ALLIANCE ASSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
ATLANTIC MUTUAL INSURANCE COMPANY	$ 100.00		$ 100.00
BRITISH TRADERS INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
CAMAT - COMP D'ASS MARIT	$ 100.00		$ 100.00
CENTURY INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00

INSURER	To Be Paid to DII	To Cause To Be Paid To DII	Adj. Total Insurer Share
CIGNA INTERNATIONAL FORMERLY HOME INSURANCE COMPANY	$ 100.00		$ 100.00
CONTINENTAL PER TOWER	$ 100.00		$ 100.00
CONTINENTAL INSURANCE COMPANY (UK) LIMITED	$ 100.00		$ 100.00
CONTINENTAL INSURANCE COMPANY OF NEW YORK	$ 100.00		$ 100.00
CORNHILL INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
ELDERS INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
FINE ART H 2 GROUP (FINE ART & GEN, NAT PROV)	$ 100.00		$ 100.00
FUJI FIRE & MARINE INSURANCE COMPANY	$ 100.00		$ 100.00
GUARDIAN ROYAL EXCHANGE ASSURANCE PLC	$ 100.00		$ 100.00
INSTITUTO DE REASSEGUROS DO BRASIL (IRB) – LONDON BRANCH	$ 100.00		$ 100.00
LIVERPOOL MARINE & GENERAL INSURANCE COMPANY	$ 100.00		$ 100.00
LONDON & EDINBURGH INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
MARINER UNDERWRITING AGENCIES LIMITED	$ 100.00		$ 100.00
NATIONAL CASUALTY COMPANY OF DETROIT	$ 100.00		$ 100.00
PHOENIX/CONT 7/70	$ 100.00		$ 100.00
PLANET ASSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
PRUDENTIAL GROUP 4 (NEW: WORLD MAR & GEN, YASUDA F&M)	$ 100.00		$ 100.00
RGM POOL (EUROPEAN/GUILDHALL/MERC&GEN/VICTORY)	$ 100.00		$ 100.00
ROYALE BELGE SA	$ 100.00		$ 100.00
ROYAL INSURANCE PLC	$ 100.00		$ 100.00
ROYAL INSURANCE FORMERLY BRITISH FIRE INSURANCE COMPANY	$ 100.00		$ 100.00
SIRIUS INSURANCE COMPANY (UK) LIMITED	$ 100.00		$ 100.00
THE BRITISH & EUROPEAN REINSURANCE COMPANY LTD	$ 100.00		$ 100.00
THE BRITISH FIRE INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
THE MOTOR UNION INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
THE SUMITOMO MARINE AND FIRE INSURANCE COMPANY, LIMITED	$ 100.00		$ 100.00
VESTA (UK) INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
ULSTER MARINE INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
YORKSHIRE INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
INSCO LTD, BRITAMCO LTD, VARIOUS COMPANIES PER	$ 100.00		$ 100.00
CONTINGENCY INSURANCE COMPANY LIMITED	$ 100.00		$ 100.00
HEDDINGTON INSURANCE COMPANY (UK) LIMITED	$ 100.00		$ 100.00
ROYALE BELGE INCENDIE REASSURANCE S.A. D'ASSURANCES	$ 100.00		$ 100.00
TOTAL	**$ 149,928,800.47**	**$ 2,705,652.93**	**$ 152,634,453.40**

ATTACHMENT D

TO THE CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE BETWEEN HALLIBURTON COMPANY, DII INDUSTRIES, LLC AND CERTAIN LONDON MARKET INSURERS

Worthington CIP Shared Policies

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
564/UC0017	01/01/71-11/15/73
564/UC0018	01/01/71-11/15/73

ATTACHMENT E

TO THE CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE BETWEEN HALLIBURTON COMPANY, DII INDUSTRIES, LLC AND CERTAIN LONDON MARKET INSURERS

POLICY NUMBER	POLICY PERIOD (MM/DD/YY)
69/14282/1/BB/12188Z	04/21/69-03/21/72
501/A7414904	10/01/74-03/13/77
509/77DD740C	01/01/77-01/01/78
509/77DD1308C	3/13/77-01/01/78
PY035478	01/01/78-03/01/79
PY035578	01/01/78-03/01/79
PY035678	01/01/78-03/01/79
PY035479	03/01/79-03/01/80
PY035579	03/01/79-03/01/80
PY035679	03/01/79-03/01/80
PY105379	05/15/79-05/15/80
543/55162/80	03/01/80-03/01/81
543/55163/80	03/01/80-03/01/81
PY272985	03/01/85-03/01/86
PY273085	03/01/85-03/01/86

ATTACHMENT F

LONDON MARKET INSURERS' DOCUMENTATION REQUIREMENTS FOR ASBESTOS BODILY INJURY CLAIMS

A. General requirements. For each claim submitted for reimbursement under policies subscribed by Underwriters in favor of the Assured, and for each claim asserted to exhaust underlying limits, the documentation available for inspection upon Underwriters' request must include: the claimant's name and social security number; copies of the complaint (if the case is in litigation) or letter or other writing making the claim (if not in litigation); the release; the payment check provided to the claimant or the claimant's representative; evidence of the gross amount payable with respect to the claim before deduction of attorney's fees or expenses; and evidence of amounts the claimant received from other allegedly responsible parties (if such evidence may ordinarily be obtained during discovery in the relevant forum). The claim documentation must clearly indicate what type of claim is being presented under the policy (e.g., products, completed operations, premises liability).

B. Medical documentation. There must be a specific medical diagnosis that the claimant suffers from a disease caused in substantial part by exposure to asbestos. A medical opinion that a claimant's condition is "consistent with" or "compatible with" a condition caused by asbestos exposure is not sufficient.

The evidence that will satisfy the medical documentation requirement varies depending on the alleged disease. The diseases typically alleged by asbestos claimants, and the corresponding documentation requirements for each, are as follows:

1. Mesothelioma. Claims of mesothelioma caused by asbestos exposure must be supported by a diagnosis of mesothelioma by a qualified physician. The diagnosis must be based upon appropriate pathological examination.

2. Lung cancer. Claims of asbestos-induced lung cancer must be supported by a qualified physician's diagnosis of lung cancer and that physician's opinion that the asbestos exposure was at least a substantial contributing cause of the cancer. These claims must also be supported by either: (i) a medical report identifying bilateral asbestos-induced pleural abnormality; or (ii) one of the medical findings that may support a diagnosis of asbestosis as discussed in Section B.4 below.

3. Other cancers. Claims of other cancers allegedly caused by asbestos exposure must satisfy the requirements for lung cancer claims as stated in section B.2 above.

4. Asbestosis. Asbestosis claims must be supported by a qualified physician's diagnosis of asbestosis accompanied by a medical report containing either: (i) an International Labor Organization ("ILO") profusion reading of 1/1 or greater; or (ii) pathological evidence of asbestosis, defined as patchy peribronchiolar or interstitial fibrosis with asbestos bodies.

5. Pleural disease and pleural plaques. Pleural disease claims must be supported by a qualified physician's diagnosis of diffuse pleural thickening and that physician's opinion that asbestos exposure was at least a substantial contributing cause of the disease. Claims for pleural plaques must be supported by a qualified physician's diagnosis of pleural plaques and that physician's opinion that asbestos exposure was at least a substantial contributing cause of the condition. In addition, a pleural plaque claim is not reimbursable (and does not properly contribute to exhaustion of underlying limits) unless it is governed by the law of a jurisdiction that allows recovery for pleural plaque claims.

6. Access to supporting medical data. For all claims, the Assured must obtain from the claimant or his representative the authorization for the Assured and for Underwriters to gain access to full supporting medical data (including but not limited to x-ray films and laboratory analyses) upon Underwriters' reasonable request. Claims that are supported by diagnoses, test readings or other medical reports of physicians listed in Appendix 1 (which list may be supplemented or amended in the future as circumstances warrant) must be identified as such when submitted to Underwriters for reimbursement.

C. Product identification and exposure documentation. Underwriters require sufficient evidence that the claimant was exposed to an asbestos-containing product of the Assured (or, for premises/operations claims, was exposed to asbestos in connection with the Assured's premises or operations). Each claim must be supported by evidence meeting the requirements of Subsections C.1, 2 and 3 below. Each of Subsections C.1, 2 and 3 sets forth separate requirements that must be met for each claim.

1. a. For products claims. For each claimant, a sworn or verified statement by the claimant (or other witness with personal knowledge) that a particular type of product of the Assured was present and in use during the relevant period and at the relevant worksite. Reference to a wide category of products (such as "building materials") is insufficient.

b. For premises/operations claims. For each claimant, a sworn or verified statement by the claimant (or other witness with personal knowledge) that the claimant was present at the Assured's premises during a time that asbestos or asbestos-containing products were also present at the site, or that the claimant was present when the Assured conducted operations at the site which involved the use or presence of asbestos or asbestos-containing products.

2. A sworn or verified statement by the claimant (or other witness with personal knowledge) that specifically describes how the claimant was allegedly exposed to asbestos contained in the Assured's product (or, for premises/operations claims, how the claimant was exposed in connection with the Assured's premises or operations) and during what period of time. If the claimant has been engaged in one of the occupations listed on Appendix 2, evidence of engagement in that occupation is sufficient to document how exposure occurred. Otherwise, Underwriters require evidence of the specific circumstances of exposure. Broad, indefinite statements purporting to establish a

claimant's potential exposure to asbestos or an asbestos-containing product (e.g., that a claimant "may have been exposed" to a product) are not sufficient.

3. A comprehensive work history of the claimant, including all employers and, for each employer, location and dates of employment, occupation, and job duties.

D. Certification and Reservation of rights. For each asbestos bodily injury claim submitted by the Assured, proper certification of compliance with these Documentation Requirements will mean that, for purposes of insurance reimbursement or determining exhaustion of underlying limits, there is sufficient documentation of injury and causation, subject to audit, to justify settlement of the claim and for the claim to be processed in accordance with Underwriters' normal procedures. Underwriters reserve, however, the right to challenge the amount of any settlement as unreasonable and further reserve all other rights and defenses to coverage that may be available under the policies.

Upon reasonable written request of the Assured, claims not meeting these Documentation Requirements will be evaluated separately by Underwriters, and the Assured will have the opportunity to demonstrate that there is sufficient evidence of injury and causation despite noncompliance with the Documentation Requirements. (By way of example, an Assured may submit an asbestosis claim supported by an ILO reading of 1/0 with corroborating evidence of asbestosis.) Where this procedure is invoked, the Assured must specify the area(s) of non-compliance with the Documentation Requirements for each claim, and state the basis for its position that the claim is covered despite the non-compliance. In conducting evaluations of claims not in compliance, Underwriters may use a panel of medical experts.

Underwriters may in the future develop specific guidelines concerning reasonable settlement amounts depending upon the severity of the injury and other relevant factors. Such factors may include, for example, whether or not a claimant alleging asbestosis is impaired, and the length of occupational exposure to asbestos of a claimant alleging lung cancer. In addition, Underwriters may develop guidelines with respect to reasonable values in the context of inventory settlement agreements.

Underwriters reserve the right to amend these Documentation Requirements to require additional or different documentation of claims, or to make them applicable to other categories of claims, in light of their experience in administering these Requirements, additional relevant information, changes in applicable law, changes in the behavior of claimants or their counsel, or other circumstances.

E. Effective date. These Documentation Requirements will apply to all asbestos bodily injury claims settled by the Assured on or after June 1, 2001. The Documentation Requirements will not apply to individual claims that are resolved on or after June 1, 2001 pursuant to the terms of settlements agreed before April 27, 2001, that were advised to Underwriters and not objected to.

F. Certification requirement. For all asbestos bodily injury claims submitted pursuant to these Documentation Requirements for reimbursement or to exhaust underlying limits, the Assured must provide to Underwriters a list setting forth for each claim, at a minimum, the following: the claimant's name, claim number, jurisdiction, status (open or closed), dates of first and last exposure, the alleged disease and the date of diagnosis, date of

death if applicable, and the amount of indemnity and expense paid. The list must be accompanied by a certification under oath (in the form attached as Appendix 3) that the claims meet these Documentation Requirements. Underwriters intend to conduct audits to monitor the accuracy of certifications, and may adjust reimbursements with respect to an Assured or take other action as appropriate where an audit reveals that a certification is inaccurate.

G. Modifications if necessary to conform to applicable law. These requirements are intended to be no greater than the quantum and quality of proof required in U.S. courts for a claimant to establish a prima facie case that he or she suffers from an asbestos-induced bodily injury for which the Assured is responsible. To the extent a different standard of proof applies in any particular jurisdiction, the Documentation Requirements may be modified accordingly for any claim governed by the laws of that jurisdiction.

APPENDIX 1 TO DOCUMENTATION REQUIREMENTS FOR ASBESTOS BODILY INJURY CLAIMS

Claims that are supported by diagnoses, test readings or other medical reports of the physicians set forth below must be identified as such when submitted to Underwriters for reimbursement.

Dr. Ray Harron
Dr. Richard S. Kuebler
Dr. Phillip Howard Lucas
Dr. Larry M. Mitchell
Dr. Mark Schiefer
Dr. James V. Scutero
Dr. Jay T. Segarra

APPENDIX 2 TO DOCUMENTATION REQUIREMENTS FOR ASBESTOS BODILY INJURY CLAIMS

Evidence of engagement in the following trades will constitute sufficient evidence of exposure to asbestos for purposes of the Documentation Requirements:

1. Asbestos mining.

2. Asbestos fabric milling and manufacture of other asbestos products such as asbestos insulation products, asbestos cement, asbestos clutch and brake linings.

3. Manufacture of asbestos containing gas masks.

4. Asbestos construction insulators.

5. Asbestos sprayers.

6. Pipe insulators, pipe "laggers," pipe fitters, steam fitters, boiler makers and installers, and plumbers.

7. Steam-era locomotive manufacture and maintenance.

8. Construction of steam propelled ships.

APPENDIX 3 TO DOCUMENTATION REQUIREMENT FOR ASBESTOS BODILY INJURY CLAIMS

CERTIFICATION

On behalf of _____ (the "Assured"), I hereby make oath and certify that, for each claim submitted herewith pursuant to London Market Insurers' Documentation Requirements for Asbestos Bodily Injury Claims ("Documentation Requirements") (a copy of which is attached hereto), the Assured or its representatives maintain supporting evidence that fully complies with the Documentation Requirements. The Assured acknowledges that Underwriters' reimbursement of the claims submitted will be made in reliance on this Certification. Further, the Assured acknowledges that Underwriters have the right to inspect and audit the supporting evidence for the claims to which this certification relates, and that such evidence will be made available for Underwriters' review upon their request.

I have been authorized to make this certification on behalf of [Assured] by

_____, an officer and director of [Assured].

_____

Name_____

Title_____

Date_____

Subscribed to and sworn to before me
this _____ day of _____, _____.

_____
Notary Public

HALLIBURTON/DII INDUSTRIES TERM SHEET

This is a non-binding Term Sheet that sets forth the terms on which representatives of Halliburton, DII Industries and those London Market Companies that are identified in Attachment A (hereafter, "the Parties") will recommend settlement of all insurance coverage issues between the Parties to their respective managements, boards of directors, other London Market Companies, and reinsurers of London Market Companies:

1. Halliburton, DII Industries and participating London Market Companies will settle all claims relating to insurance coverage provided by participating London Market Companies to Halliburton and DII Industries on substantially the same terms set forth in the settlement agreement between Underwriters at Lloyd's and Halliburton and DII Industries dated January 28, 2004 ("Lloyd's Underwriters Settlement Agreement") that is appended as Attachment B hereto, except as modified by this Term Sheet. Defined terms used in this Term Sheet shall have the meaning set forth in the Lloyd's Underwriters Settlement Agreement.

2. Participating London Market Companies will pay to DII Industries, LLC their several shares of $155 million United States Dollars, allocated solely to solvent, represented London Market Companies (the "Settlement Amount"). In addition, those participating London Market Companies that have not paid their several shares of the amounts of the bills from Harbison, Dresser and/or Global that London Market Insurers had approved and put through for payment by the London Market Companies, agree to pay such amounts to DII Industries by no later than January 4, 2005. Mendes & Mount's present estimate of the total amount of such unpaid billings for all solvent, represented London Market Companies, is approximately $1,000,000. The Parties will cooperate to reach agreement on the total amount of such unpaid billings as expeditiously as possible.

Subject to Halliburton's and DII's potential election under 8 below, the several shares of the solvent, represented London Market Companies on policies numbered 564/UC0017 and 564/UC0018 will be allocated an amount equal to the net present value of their remaining products aggregate limits taking into account the annual payment cap set forth in the Worthington CIP. With respect to all other policies, London Market Companies may allocate the Settlement Amount in a reasonable manner to particular policies as they deem appropriate, in their sole discretion, so long as the total amount allocated to solvent, represented London Market Companies (including those solvent, represented London Market Companies that choose not to participate in this settlement) equals the Settlement Amount. The Settlement Amount shall be payable in installments. Each participating London Market Com pany shall choose between the following two methods by which each shall pay its several, allocable share of the Settlement Amount:

A. Participating London Market Companies may elect to pay the Settlement Amount in two installments: (1) 87% of the total shal be due on the date the Initial Payment is due under the Lloyd's Underwriters Settlement Agreement, and (2) the remaining 13% shall be due when the Final Payment is due. If the Initial Payment under the Lloyd's Underwriters Settlement Agreement is

$506,000,000, and participating London Market Companies defer their initial payment as Lloyd's Underwriters did after satisfaction of all conditions to payment set forth herein and in the Lloyd's Underwriters Settlement Agreement except for the condition set forth in Paragraph VIII.E thereof, the initial payment by participating London Market Companies shall be increased by 1.18%.

B. Alternatively, participating London Market Companies may elect to pay the Settlement Amount in five equal annual installments commencing on the date the Initial Payment is due under Lloyd's Underwriters Settlement Agreement. In that event, the Settlement Amount shall be adjusted upwards, using an interest rate of 4%, to produce the same net present value as the installments described in sub-paragraph 2(A), above. Halliburton and DII Industries reserve the right to seek security from particular participating London Market Companies that elect this option if such companies present a substantial credit risk not present for those Companies listed on Attachment A. Such London Market Companies reserve the right to seek a lower Settlement Amount if Halliburton and DII Industries seek to negotiate security. Further, if the Initial Payment under the Lloyd's Underwriters Settlement Agreement is $506,000,000, and participating London Market Companies defer their initial payment as Lloyd's Underwriters did after satisfaction of all conditions to payment set forth herein and in the Lloyd's Underwriters Settlement Agreement except for the condition set forth in Paragraph VIII.E thereof, an increase to the payments to be made by the London Market Companies, prior to the 4% interest rate, shall be computed by multiplying the total amount owed by 0.87 and then by 1.18 in order to equalize payments with the payment option set forth in 2(A) above.
If all conditions to payment set forth herein and in the Lloyd's Underwriters Settlement Agreement have been satisfied except the condition that the Confirmation Order must become Final, and that condition is not satisfied solely because of the pendency of an appeal from the Confirmation Order by participating London Market Companies, London Market Companies agree to dismiss such appeal within ten days of the date all other conditions to payment having been satisfied.

3. Participating London Market Companies' obligation to pay the Settlement Amount shall be conditioned on Halliburton and DII Industries certifying, prior to the time each payment is due, that they have resolved sufficient asbestos bodily injury claims supported by the evidence specified in paragraphs B, C and G of the London Market Insurers' Documentation Requirements for Asbestos Bodily Injury Claims ("DRs") and covered by the Subject Insurance Policies that the amounts properly allocable to participating London Market Companies with respect to such settlements equals or exceeds the amount of the payment due. The parties agree to work together to arrive at a mutually satisfactory manner in which to determine how exhaustion of the appropriate London Market Companies' limits is to be calculated. At the same time such certification is made, Halliburton and DII Industries shall provide participating London Market Companies with the information specified in Paragraph X of the Lloyd's Underwriters Settlement Agreement concerning the claims that are the subject of the certification and shall allocate such claims to the Dresser Industries

and/or Worthington, including Studebaker-Worthington, lines of coverage, as appropriate, as provided in the DII Industries CIP and the Worthington CIP.

4. Halliburton and DII Industries agree to make the claim files on which they will base the certification described in the first sentence of Paragraph 3 above available to participating London Market Companies and their representatives for review no later than 90 days prior to the date the Initial Payment is due under Lloyd's Underwriters Settlement Agreement. If Halliburton and DII Industries fail to timely do so, all dates for payments by London Market Companies shall be extended by the period from 90 days prior to the date the Initial Payment is due until the claim files are in fact made available to London Market Companies for review. If participating London Market Companies' review of such claim files prior to the date the Initial Payment is due shows that the certification required by the first sentence of Paragraph 3 would be inaccurate or insupportable with respect to some or all of such claim files, London Market Companies shall be entitled to take a credit against the Initial Payment to the extent that their review shows there are insufficient claims that can be properly certified to support the full Initial Payment (unless and to the extent that Halliburton and DII Industries later provide claims data that could properly be certified to support the full Initial Payment). Participating London Market Companies, or their representatives, shall also have the right, after payment of any installment, to audit the accuracy and supportability of the certification accompanying the payment. If the audit reveals that the certification is inaccurate or insupportable, participating London Market Companies shall have the right, at their option, to a credit on future payments or to obtain a refund from Halliburton and DII Industries in an amount equal to the amount, if any, by which the payment made exceeded the amount shown by the audit to have been properly payable by participating London Market Companies. The participating London Market Companies access to claim files shall continue until such time as sufficient covered claims have been submitted to exhaust the participating London Market Companies' several shares of the remaining products aggregate limits of those policies identified on Attachment C hereto. To the extent any credits are properly taken pursuant to this paragraph, the amounts of the credits are not a permanent reduction of the settlement amount; rather the credits "roll over" and the future payments will be made, no more frequently than once per calendar quarter, upon submission of sufficient additional covered claims supported by the evidence required by Paragraph 3 under this paragraph to justify payment of the amounts previously taken as a credit.

5. To the extent the Parties disagree as to whether submitted claims are supported by the evidence specified in paragraphs B, C and G of the DRs and covered by the Subject Insurance Policies, such disputes will be submitted to binding arbitration on an expedited basis (using procedures and arbitrators to be agreed to by the parties in the final settlement agreement) with the prevailing party having its reasonable attorneys' fees and costs paid by the other party.

6. Halliburton and DII Industries will release participating London Market Companies from all claims against all pre-1993 policies, known and unknown, subscribed by participating London Market Companies that provide insurance coverage of any nature whatsoever to Halliburton or DII Industries (the "Subject Insurance Policies"), and participating London Market Companies shall release Halliburton and DII Industries from all claims they may have relating to the Subject

Insurance Policies. In addition, Halliburton and DII Industries will release participating London Market Insurers from all asbestos and silica-related claims against all post-1992 policies, known and unknown, subscribed by participating London Market Insurers that provide insurance coverage to Halliburton or DII Industries for asbestos or silica-related claims. The form and scope of the releases shall be in substantially the form set forth in Attachment A.

7. Halliburton Company, DII Industries, LLC, Reorganized DII and Reorganized KBR will provide participating London Market Companies with a complete, full, uncapped indemnity protecting participating London Market Companies against any claims by third parties relating in any way to the Subject Insurance Policies, except those policies set forth in Attachment D to the Lloyd's Underwriters Settlement Agreement. The form and scope of the indemnity shall be in substantially the form set forth in the Lloyd's Underwriters Agreement.

8. The Parties are discussing a possible 50-50 vertical split of limits on the relevant Studebaker-Worthington and McGraw Edison policies. In the event that the Parties reach agreement on such a split of limits as between themselves and with all other relevant parties, Halliburton and DII Industries shall have the option to either: 1) exclude from their indemnity claims under policies numbered 564/UC0017 and 564/UC0018 by Federal-Mogul Products, Inc., its affiliates or any person or entity asserting claims related to Wagner Electric, in which case the Settlement Amount shall be reduced by $744,000 or 2) to leave the terms of this Term Sheet and the final settlement agreement unchanged. If Halliburton and DII Industries elect to reduce the Settlement Amount by $744,000, Participating Companies that elect the payment option set forth in 2.A above shall apply their several shares of such reduction to the Final Payment. Participating Companies that elect the payment option set forth in 2.B above shall pro-rate their several shares of the $744,000 reduction equally across all five installments to produce the same net present value as the payment option set forth in 2.A (after application of the reduction to the Final Payment).

9. Once a final settlement agreement is executed by the Parties, DII Industries will use its best efforts to provide the London Market Companies with the benefit of the Asbestos/Silica Insurance Company Injunction prior to the time the District Court enters a Final Confirmation Order.

10. This Term Sheet is non-binding. There is no agreement between or among the Parties until such time as a final settlement agreement is executed by the Parties.

Dated: May 21, 2004

Attachment H

ALTERNATIVE DISPUTE RESOLUTION PROTOCOL

1. The Parties agree to the following protocol for the conduct of arbitration of disputes arising under subparagraph 2.H.3 of the Settlement Agreement. The Arbitration shall be final and binding, and there shall be no appeal from the Arbitrator's award. It is the Parties' mutual intent that any arbitration hereunder shall be handled in an expeditious manner. Further, the Parties all consent to and submit to the jurisdiction of any United States District Court for the enforcement of any judgment entered as a result of the arbitration procedure set forth in this Alternative Dispute Resolution Protocol.

2. The Parties designate David Geronemus and John Bickerman as potential arbitrators. The Parties shall use their best efforts to agree on one of the potential arbitrators to serve as the Arbitrator for any particular dispute. If, for any reason, none of the potential arbitrators is able or willing to serve as the Arbitrator for any particular dispute, or the parties are unable to agree on any of the potential arbitrators, the Parties agree to use their best efforts to agree on a substitute Arbitrator. If the Parties are unable to agree on a substitute Arbitrator, the substitute Arbitrator shall be appointed from the CPR Institute for Dispute Resolution's National Panel pursuant to the provisions for appointment of arbitrators set forth in the CPR Institute for Dispute Resolution's Rules for Non-Administered Arbitration.

3. *Arbitration Procedures.*

a. The Party seeking arbitration shall deliver to the other Party and to the Arbitrator a written statement of complaint and demand for Arbitration.

b. The Arbitrator shall have the discretion to set the procedural rules for the pre-hearing conduct of the arbitration process, including any pre-hearing discovery, so long as said rules do not render the resulting Arbitration award unenforceable under the standards for enforceability set forth in the Federal Arbitration Act.

c. The hearing shall be conducted according to the Federal Rules of Civil Procedure and the Federal Rules of Evidence and this Agreement. The Arbitrator shall have the discretion to disregard the strict application of those rules where it is in the interests of justice to do so.

4. The Arbitrator shall be authorized to retain any consultants, advisors or other professionals that he deems reasonably necessary to assist him in the Arbitration of a dispute between the Parties.

5. The costs of the Arbitration, including the costs of any professionals retained by the Arbitrator, initially shall be borne 50% by DII Industries and 50% by PLMCs.

6. The Arbitrator shall not be responsible for any expenses or costs. DII Industries and PLMCs hereby agree to indemnify and hold the Arbitrator harmless from any expenses, judgments, or claims of any kind, including legal fees, absent fraud by the Arbitrator.

7. Any arbitration hearings shall take place in a location in the United States, in a city and facility to be agreed upon by the Parties.

8. Within thirty days after the conclusion of the evidence, the Arbitrator shall issue to the Parties a written, reasoned opinion deciding the dispute. The opinion shall include an award in a form suitable for filing as a judgment in any United States District Court, and the Parties hereby agree that the Arbitrator's award may be filed by a prevailing Party as an order in such court and, if so, that court shall enter judgment upon the Arbitrator's award. Any payments due under the Arbitrator's award shall be made within thirty (30) days of the issuance of the award.

9. Any monetary award of the Arbitrator shall include pre-award interest in an amount, and calculated at a rate, to be determined by the Arbitrator.

10. Each Party shall pay and be responsible for its own attorneys' fees and expenses, including expert fees, in connection with the Arbitration proceeding. However, the Arbitrator is empowered to award to a prevailing Party reimbursement of its litigation costs, including attorneys' fees if in the Arbitrator's sole discretion, the interests of justice favor such an award.

11. The award of the Arbitrator shall be subject to such judicial review as is provided under the Federal Arbitration Act. The Parties agree that the award of the Arbitrator, unless vacated or overturned under the provision of the Act, shall operate as a full and final resolution of the disputes arbitrated by the Parties and as a bar to any subsequent lawsuits between the

Parties regarding those disputes, other than a lawsuit to enforce the Arbitration award.

ATTACHMENT I

AMENDED DISCLOSURE STATEMENT EXHIBIT A

Uniform Glossary of Defined Terms for Plan Documents

(May 17, 2004)

[This document is the definitive glossary for the Debtors' Fourth Amended and Restated Joint Prepackaged Plan of Reorganization Under Chapter 11 of the United States Bankruptcy Code filed on May 17, 2004]

Unless the context otherwise requires, the following terms, when used in initially capitalized form in the Disclosure Statement, related exhibits, and Plan Documents, shall have the following meanings. Such meanings shall be equally applicable to both the singular and plural forms of such terms. Any term used in capitalized form that is not defined herein but that is defined in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning ascribed to such term by the Bankruptcy Code or the Bankruptcy Rules (with the Bankruptcy Code controlling in the event of a conflict or ambiguity). The rules of construction set forth herein and in section 102 of the Bankruptcy Code shall apply. All references to the "Plan" shall be construed, where applicable, to include references to the Plan and all its exhibits, appendices, schedules, and annexes (and any amendments made in accordance with their terms or applicable law).

Glossary of Terms

1. "346 Injunction" means the injunction set forth in article 10.5 of the Plan.

2. "1999 Indenture" means the General Indenture of Conveyance, Transfer and Assignment and Assumption of Obligations, effective as of January 31, 1999, between Dresser Industries and HESI, pursuant to which Dresser Industries contributed certain of its assets to HESI and HESI assumed certain obligations of Dresser Industries.

3. "Administrative Claim" means any Claim for the payment of an Administrative Expense.

4. "Administrative Claims Bar Date" means the date established in article 13.11 of the Plan or such other date as may be fixed by order of the Bankruptcy Court.

5. "Administrative Expense" means (a) any cost or expense of administration related to the Reorganization Cases allowable under section 503(b) of the Bankruptcy Code including, without limitation, (i) any actual and necessary postpetition cost or expense of preserving the Estates or operating the businesses of the Debtors, (ii) any payment required to cure a default on an assumed executory contract or unexpired lease, (iii) any postpetition cost, indebtedness, or contractual obligation duly and validly incurred or assumed by a Debtor in the ordinary course of its business, and (iv) compensation or reimbursement of expenses of professionals to the extent allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code and (b) any fee or charge assessed against the Estates under 28 U.S.C. § 1930.

6. "Affiliate" means, with respect to a particular Person, a Person (a) who directly or indirectly owns, controls, or holds more than 20% of the voting securities of the first Person (other than a Person who holds such securities (i) in a fiduciary or agency capacity without sole discretionary power to vote such securities or (ii) solely to secure a debt, if such Person has not in fact exercised such power to vote), (b)20% of whose voting securities are owned, controlled, or held by the first Person or by a Person described in subclause (a), or (c) who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, the first Person. For purposes of this definition, a Person shall be deemed to control a Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract, or otherwise.

7. "Aggregate Settled Claims Cap" means $2,775,000,000.00.

8. "Allowed" means, with respect to any Claim (other than an Asbestos Unsecured PI Trust Claim or a Silica Unsecured PI Trust Claim) or Interest, (a) any Claim or Interest, proof of which was timely filed with the Bankruptcy Court or its duly appointed claims agent, or, by order of the Bankruptcy Court, was not required to be filed, (b)any Claim or Interest that has been, or hereafter is, listed in the Schedules, if filed, as liquidated in amount and not disputed or contingent, and, in reference to either (a) and (b) above, (i) which has not been disallowed by order of the Bankruptcy Court, (ii) as to which no objection to the allowance thereof has been filed within the applicable period of limitation fixed by the Plan, the

Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or (iii) which has been allowed by a Final Order (but only to the extent so allowed).

9. "Allowed Amount" of any Claim means the amount at which that Claim is Allowed.

10. "Asbestos Bonded Claim" means any Asbestos PI Trust Claim relating to a judgment as to which, but only to the extent that, a supersedeas bond or such other similar filing was posted by or on behalf of a Debtor; *provided, however*, the amount of such Asbestos Bonded Claim shall not exceed the amount of judgment as determined by a Final Order or, if an Asbestos Unsecured PI Trust Claim, the Liquidated Amount determined pursuant to the Asbestos TDP.

11. "Asbestos Claimant Settlement Agreement" means an Asbestos/Silica PI Trust Claimant Settlement Agreement that concerns asbestos and is listed on Exhibit 3 to the Plan, as such exhibit may be amended or supplemented from time to time.

12. "Asbestos Committee" means the informal asbestos claimants committee created prior to the Petition Date and, if the context requires, an official asbestos claimants committee appointed in the Reorganization Cases by the United States Trustee.

13. "Asbestos Final Judgment Claim" means an Asbestos Unsecured PI Trust Claim reduced to a liquidated amount prior to the Confirmation Date by a final, nonappealable judgment.

14. "Asbestos PI Trust" means the tax-qualified settlement trust to be established pursuant to the Asbestos PI Trust Agreement.

15. "Asbestos PI Trust Additional Funding Agreement" means the agreement to be executed by the Debtors, Halliburton, and the Halliburton Current Affiliates on the Effective Date, in substantially the form attached as Exhibit 9 to the Plan, providing the Asbestos PI Trust with a right to payment of an amount equal to the amount of the Asbestos PI Trust Insurance Recoveries.

16. "Asbestos PI Trust Agreement" means the DII Industries, LLC Asbestos PI Trust Agreement, effective as of the Effective Date, substantially in the form attached as Exhibit 4 to the Plan, as it may be modified from time to time in accordance with the terms thereof.

17. "Asbestos PI Trust Assets" means (a) the Asbestos PI Trust Funding Agreement, (b) the Asbestos PI Trust Additional Funding Agreement, (c) the Halliburton Asbestos PI Trust Stock, (d) the Asbestos PI Trust Note, (e) the Halliburton Asbestos PI Trust Guarantee, (f) the DII Industries Pledge Agreement, and (g) the RHI Asbestos PI Trust Contribution, and all income, profits, and proceeds derived from any of the foregoing.

18. "Asbestos PI Trust Bylaws" means the DII Industries, LLC Asbestos PI Trust Bylaws, effective as of the Effective Date, substantially in the form attached as Annex 2 to the Asbestos PI Trust Agreement, as such bylaws may be modified from time to time in accordance with the terms of the Asbestos PI Trust Agreement and the terms thereof.

19. "Asbestos PI Trust Cash Contribution" means the amount of Cash to be funded into the Asbestos PI Trust on behalf of holders of Qualifying Settled Asbestos PI Trust Claims pursuant to the Asbestos PI Trust Funding Agreement.

20. "Asbestos PI Trust Claim" means (a) any Claim or Demand, including a claim for damages, if any, arising from the rejection of an executory contract, whether now existing or hereafter arising or asserted against a Halliburton Entity or a Harbison-Walker Entity, whether under a direct or indirect theory of liability, and/or (b) any debt, obligation, or liability (whether or not reduced to judgment, liquidated, unliquidated, fixed,

contingent, matured, unmatured, disputed, undisputed, legal, equitable, bonded, secured, or unsecured), whenever and wherever arising or asserted, whether under a direct or indirect theory of liability, of a Halliburton Entity or a Harbison-Walker Entity (including, without limitation, all debts, obligations, and liabilities in the nature of or sounding in tort, contract, warranty, or any other theory of law, equity or admiralty, whether under common law or by statute); in either case (a) or (b), for, resulting from, attributable to, or arising by reason of, directly or indirectly, physical, emotional, bodily, or other personal injury or damages (including, without limitation, any Claim or Demand for compensatory damages, loss of consortium, medical monitoring, survivorship, wrongful death, proximate, consequential, general, special or punitive damages, reimbursement, indemnity, warranty, contribution, or subrogation) whether or not diagnosable or manifested before the Confirmation of the Plan or the close of these Reorganization Cases, (x) caused or allegedly caused, in whole or in part, directly or indirectly (i) by asbestos or asbestos-containing products sold, installed, handled, used, specified, made, distributed, or removed by a Halliburton Entity or a Harbison-Walker Entity, or other Entity for which a Halliburton Entity or a Harbison-Walker Entity is or may be liable or (ii) by services, actions, or operations provided, completed, performed, or taken with asbestos or asbestos-containing products by or at the direction of a Halliburton Entity or a Harbison-Walker Entity, or other Entity for which a Halliburton Entity or a Harbison-Walker Entity is or may be liable, or (y) caused or allegedly caused by asbestos or asbestos-containing products for which a Halliburton Entity or a Harbison-Walker Entity, or other Entity, for which such Halliburton Entity or a Harbison-Walker Entity is or may be liable, is liable under any applicable law or by contract, whether or not arising, or allegedly arising, directly or indirectly from acts or omissions of such Halliburton Entity or a Harbison-Walker Entity, or other Entity for or with which a Halliburton Entity or a Harbison-Walker Entity is or may be liable. Asbestos PI Trust Claims include, without limitation, Asbestos Secured Claims, Asbestos Unsecured PI Trust Claims, Qualifying Settled Asbestos PI Trust Claims, Indirect Asbestos PI Trust Claims, Harbison-Walker Asbestos PI Trust Claims, Asbestos Final Judgment Claims, Asbestos Bonded Claims, and Asbestos PI Trust Expenses. For purposes of this definition, Asbestos PI Trust Claim does not include (i) liability for an Asbestos Property Damage Claim or (ii) any claim by any present or former employee of a Debtor for benefits under a policy of workers' compensation insurance or for benefits under any state or federal workers' compensation statute or other statute providing compensation to an employee from an employer to the extent that such claim is asserted against the Asbestos PI Trust by an individual claimant.

21. "Asbestos PI Trust Claimant" means the holder of an Asbestos Unsecured PI Trust Claim.

22. "Asbestos PI Trust Documents" means the Asbestos PI Trust Agreement, the Asbestos PI Trust Bylaws, the Asbestos TDP, the Asbestos PI Trust Funding Agreement, the Asbestos PI Trust Additional Funding Agreement, the Asbestos PI Trust Indemnification Agreement, and the other agreements, instruments, and documents governing the establishment, administration, and operation of the Asbestos PI Trust, as they may be amended or modified from time to time in accordance with the Plan and the terms of such documents.

23. "Asbestos PI Trust Expenses" means any liabilities, costs or expenses of, or imposed upon, assumed by, or in respect of, the Asbestos PI Trust, except for payments to holders of Asbestos Unsecured PI Trust Claims on account of such Asbestos Unsecured PI Trust Claims.

24. "Asbestos PI Trust Funding Agreement" means the agreement, in substantially the form attached as Exhibit 8 to the Plan, to be entered into on the Effective Date between the Trustees of the Asbestos PI Trust and the Debtors with respect to the Asbestos PI Trust Cash Contribution and the mechanisms and procedures for payment of Qualifying Settled Asbestos PI Trust Claims.

25. "Asbestos PI Trust Indemnification Agreement" means the indemnification agreement attached as Annex 1 to the Asbestos PI Trust Agreement.

26. "Asbestos PI Trust Indemnified Claim" means any claim indemnified in accordance with any Asbestos PI Trust Document.

27. "Asbestos PI Trust Insurance Recoveries" means amounts collected, if any, by the Debtors, Reorganized Debtors, Halliburton, or the Halliburton Current Affiliates after the Petition Date under insurance policies on account of asbestos once the amount of proceeds collected under such policies on account of (a) asbestos and (b) silica liabilities exceeds $2.3 billion; *provided, however*, that the amount of Asbestos PI Trust Insurance Recoveries shall not exceed $700 million.

28. "Asbestos PI Trust Note" means the promissory note, in substantially the form attached as Exhibit 5 to the Plan, to be executed by DII Industries and delivered to the Asbestos PI Trust on the Effective Date.

29. "Asbestos Property Damage Claim" means (a) any claim or demand asserted against a Halliburton Entity or a Harbison-Walker Entity and (b) any debt, obligation or liability, whenever and wherever arising or asserted, of a Debtor (including, without limitation, all thereof in the nature of or sounding in tort, contract, warranty, or any other theory of law, equity or admiralty, whether under common law or by statute); in either case (a) or (b) for, relating to, or arising by reason of, directly or indirectly, property damage relating to asbestos, whether or not arising before the Confirmation of the Plan or the close of these Reorganization Cases, which is not also assertable as an Asbestos PI Trust Claim.

30. "Asbestos Property Damage Claimant" means the holder of an Asbestos Property Damage Claim.

31. "Asbestos Secured Claim" means an Asbestos PI Trust Claim, including an Asbestos Bonded Claim to the extent bonded with property of the Debtors' Estates, that is also a Secured Claim.

32. "Asbestos TAC" means the Asbestos PI Trust Advisory Committee created pursuant to the Asbestos PI Trust Agreement, as may be reconstituted from time to time in accordance with the terms thereof.

33. "Asbestos TDP" means the trust distribution procedures, substantially in the form attached as Annex 3 to the Asbestos PI Trust Agreement, as such procedures may be modified from time to time in accordance with the terms thereof, the Asbestos PI Trust Agreement, and the Plan.

34. "Asbestos Unsecured PI Trust Claim" means any Asbestos PI Trust Claim except for an Asbestos Secured Claim to the extent such Claim is a Secured Claim.

35. "Asbestos/Silica In-Place Insurance Coverage" means any insurance coverage, not reduced to Cash settlement proceeds, available for the payment or reimbursement of liability, indemnity, or defense costs arising from, or related to, Asbestos PI Trust Claims, Silica PI Trust Claims, Asbestos PI Trust Expenses, or Silica PI Trust Expenses under any Asbestos/Silica Insurance Policy or any Asbestos/Silica Insurance Settlement Agreement.

36. "Asbestos/Silica Insurance Action" means any claim, cause of action, or right of a Debtor or Reorganized Debtor against any Asbestos/Silica Insurance Company concerning insurance coverage for Asbestos PI Trust Claims or Silica PI Trust Claims arising from or related to (a) any such Asbestos/Silica Insurance Company's failure to provide or pay under Asbestos/Silica In-Place Insurance Coverage, (b) the refusal of any Asbestos/Silica Insurance Company to pay any obligation on, or compromise and settle, any Asbestos PI Trust Claim or Silica PI Trust Claim under or pursuant to any Asbestos/Silica Insurance Policy, or (c) the interpretation or enforcement of the terms of any Asbestos/Silica Insurance Policy with respect to any Asbestos PI Trust Claim or Silica PI Trust Claim.

37. "Asbestos/Silica Insurance Action Recoveries" means (a) certain Cash derived from, and paid pursuant to, Asbestos/Silica Insurance Settlement Agreements entered into prior or subsequent to the Confirmation

Hearing, (b) the right to receive proceeds of Asbestos/Silica In-Place Insurance Coverage, and (c) the right to receive the proceeds or benefits of any Asbestos/Silica Insurance Action.

38. "Asbestos/Silica Insurance Company" means any insurance company, insurance broker, guarantee association, or any other Entity with demonstrated or potential liability to a Debtor or Reorganized Debtor for coverage under an Asbestos/Silica Insurance Policy arising from or related to Asbestos PI Trust Claims and/or Silica PI Trust Claims.

39. "Asbestos/Silica Insurance Company Injunction" means the injunction set forth in article 10.3(b) of the Plan.

40. "Asbestos/Silica Insurance Policy" means those insurance policies and specific coverages providing coverage for asbestos or silica, including those policies listed on Exhibit 1 to the Plan, as such Exhibit may be amended and/or supplemented from time to time.

41. "Asbestos/Silica Insurance Settlement Agreement" means any settlement agreement, set forth on Exhibit 2 to the Plan, with a Settling Asbestos/Silica Insurance Company as such Exhibit may be amended and/or supplemented from time to time as permitted under the Plan.

42. "Asbestos/Silica PI Trust Claimant Settlement Agreement" means any settlement agreement listed on Exhibit 3 to the Plan, as the Exhibit may be amended and/or supplemented from time to time.

43. "Associated Settled Claims Costs" means fixed, per-claim costs payable to the Asbestos PI Trust and the Silica PI Trust pursuant to the Asbestos PI Trust Funding Agreement and the Silica PI Trust Funding Agreement, as the case may be.

44. "Balloting Agent" means The Trumbull Group, L.L.C.

45. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*, as in effect on the Petition Date, together with all amendments and modifications thereto subsequently made, to the extent applicable to the Reorganization Cases.

46. "Bankruptcy Court" means the United States Bankruptcy Court for the Western District of Pennsylvania, Pittsburgh Division or, as the circumstances or context requires, the District Court.

47. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as in effect on the Petition Date, together with all amendments and modifications thereto subsequently made applicable to the Reorganization Cases.

48. "Barracuda" means Barracuda & Carratinga Leasing Company, B.V.

49. "Barracuda Contract" means the Turnkey Engineering Procurement and Construction Contract dated June 30, 2000 by and between Barracuda and KBR.

50. "BPM" means BPM Minerals, LLC, a New Jersey limited liability company.

51. "Brown & Root" means Brown & Root, Inc., a predecessor of KBR.

52. "Business Day" means any day other than a Saturday, Sunday, or legal holiday (as such term is defined in Bankruptcy Rule 9006(a)).

53. "Cash" means cash, cash equivalents, and other readily marketable securities or instruments, including, without limitation, direct obligations of the United States and certificates of deposit issued by federally insured banks.

54. "Claim" shall have the meaning ascribed to such term in section 101(5) of the Bankruptcy Code.

55. "Claimant" means the holder of a Claim.

56. "Class" means a category of Claims or Interests as defined in article III of the Plan.

57. "Confirmation" or "Confirmation of the Plan" means the approval of the Plan by the Bankruptcy Court and/or District Court at the Confirmation Hearing.

58. "Confirmation Date" means the date on which the Confirmation Order is entered on the docket of the Bankruptcy Court.

59. "Confirmation Hearing" means the hearing(s) that will be held before the Bankruptcy Court and/or District Court, in which the Debtors will seek Confirmation of the Plan.

60. "Confirmation Order" means the order of the Bankruptcy Court and/or District Court confirming the Plan pursuant to section 1129 and other applicable sections of the Bankruptcy Code.

61. "Debtor" means each of Mid-Valley, DII Industries, KBR, KBR Technical, KBR Engineering, KBR International (Delaware), KBR International (Panama), and BPM.

62. "Debtor-Affiliated Protected Party" means each of (a) the Halliburton Protected Parties, (b) the Harbison-Walker Protected Parties, (c) the Debtor-Indemnified Protected Parties, (d) the Lender Protected Parties, (e) the Transferee Protected Parties, and (f) the Successor Protected Parties.

63. "Debtor-Indemnified Protected Party" means those entities listed on Exhibit 17 to the Plan, but only to the extent that such entity is alleged to be liable for an Asbestos Unsecured PI Trust Claim or a Silica Unsecured PI Trust Claim for which a Debtor, Halliburton, or a Halliburton Current Affiliate has agreed, or is obligated by operation of law, to indemnify such Debtor-Indemnified Protected Party.

64. "Debtor in Possession" means each of Mid-Valley, DII Industries, KBR, KBR Technical, KBR Engineering, KBR International (Delaware), KBR International (Panama), and BPM.

65. "Demand" means a demand for payment, present or future, that (a) was not a Claim during the Reorganization Cases, (b) arises out of the same or similar conduct or events that gave rise to Asbestos PI Trust Claims and/or Silica PI Trust Claims, and (c) pursuant to the Plan is to be paid by the Asbestos PI Trust or Silica PI Trust.

66. "Derivative Claim" means any claim, liability, or cause of action that may arise, now or hereafter, that is derivative of a right of a Debtor, including, without limitation, (a) fraudulent-transfer, fraudulent-conveyance, or preference claims under applicable state or federal law, (b) denuding-the-corporation claims, single-business-enterprise claims, corporate trust fund claims, or claims against any Released Debtor Party or Released Non-Debtor Affiliate for breach of fiduciary duty or conspiracy, (c) claims asserted or assertable, by or on behalf of, a Debtor or by any other party, against any Released Debtor Party or Released Non-Debtor Affiliate, alleging (i) that any Released Debtor Party or Released Non-Debtor Affiliate was the mere instrumentality, agent, or alter ego of a Debtor or that the corporate veil of a Released Debtor Party or Released Non-Debtor Affiliate should be pierced, or (ii) that a Released Debtor Party or Released Non-Debtor Affiliate, as a result of domination and control or potential control over a Debtor, directly or indirectly, should be liable for Asbestos PI Trust Claims, Silica PI Trust Claims, or claims that have their origins in acts or omissions of a Debtor, or (iii) that any Released Debtor Party or

Released Non-Debtor Affiliate is successor-in-interest to a Debtor, or any Entity for or with which a Debtor or its successors are or may be liable, and accordingly responsible and liable for certain or all of such Debtor's obligations and legal liabilities, or (d) any claims related to insurance or the placement of insurance coverage under which a Debtor is or was an insured.

67. "DII Industries" means DII Industries, LLC, a Delaware limited liability company, f/k/a/ Dresser Industries, Inc.

68. "DII Industries Debentures" means DII Industries' 7.6% debentures due August 15, 2096.

69. "DII Industries Pledge Agreement" means the pledge agreement, in substantially the form attached as Exhibit 7 to the Plan, to be executed by HESI and delivered to the Asbestos PI Trust on the Effective Date.

70. "Direct Action" means any cause of action or right to bring a cause of action possessed by an Asbestos PI Trust Claimant or Silica PI Trust Claimant against an Asbestos/Silica Insurance Company on account of such Claimant's Asbestos PI Trust Claim or Silica PI Trust Claim, whether arising by contract or under the laws of any jurisdiction.

71. "Discharge Injunction" means the permanent injunction set forth in article 10.2 of the Plan.

72. "Disclosure Statement" means the Disclosure Statement for the Proposed Joint Prepackaged Plan of Reorganization for Mid-Valley, KBR, DII Industries, KBR Technical, KBR Engineering, KBR International (Delaware), KBR International (Panama), and BPM Under Chapter 11 of the United States Bankruptcy Code, dated September 18, 2003, including all exhibits attached thereto, as submitted by the Debtors pursuant to section 1125 of the Bankruptcy Code and approved by the Bankruptcy Court, as such Disclosure Statement may be further amended, supplemented, or modified from time to time.

73. "Disputed Claim" means, with respect to each Debtor:

(a) if no Proof of Claim has been filed by the applicable bar date or otherwise has been deemed timely filed under applicable law and the Debtors' Schedules have been filed, (i) a Claim that is listed on the Debtors' Schedules as other than disputed, contingent, or unliquidated, but as to which the Debtors or any other party in interest has filed an objection by the claims objection bar date, but only to the extent of the difference between the amount of the Claim listed in the Schedules and the amount of such Claim asserted in the objection or (ii) a Claim that is listed on the Debtors' Schedules as disputed, contingent, or unliquidated; or

(b) if a Proof of Claim or request for payment of an Administrative Claim has been filed by the bar date or has otherwise been deemed timely filed under applicable law, a Claim for which an objection has been filed by the Debtors or any other party in interest, as the case may be, by the claims objection bar date, if such objection has not been withdrawn or denied by a Final Order, but only to the extent of the difference between the amount of the Claim asserted in the Proof of Claim and the amount of such Claim asserted in the objection.

74. "Distribution Amount" means the product obtained by multiplying the Liquidated Amount of an Asbestos Unsecured PI Trust Claim or Silica Unsecured PI Trust Claim by the applicable Payment Percentage.

75. "Distribution Date" means, when used with respect to an Allowed Claim (other than an Asbestos Unsecured PI Trust Claim or Silica Unsecured PI Trust Claim), the date which is as soon as reasonably practicable after the later of (a)the Effective Date or (b) the date on which the order allowing such Claim becomes a Final Order.

76. "District Court" means the United States District Court assigned to preside over the Reorganization Cases.

77. "Dresser Industries" means Dresser Industries, Inc., a Delaware corporation.

78. "Effective Date" means, and shall occur on, the first day upon which all of the conditions to occurrence of the Effective Date contained in article 8.1 of the Plan have been satisfied, or waived in writing pursuant to article 8.2 of the Plan.

79. "Entity" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

80. "Environmental Laws" means (a) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601, *et seq.*, (b) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendment of 1984, 42 U.S.C. §§ 6901, *et seq.*, (c) the Clean Air Act, 42 U.S.C. §§7401, *et seq.*, (d) the Clean Water Act of 1977, 33 U.S.C. §§ 1251, *et seq.*, (e) the Toxic Substances Control Act, 15 U.S.C. §§ 2601, *et seq.*, (f) all statutes or laws issued or promulgated by any Governmental Unit, as they may be amended from time to time, relating to environmental contamination or pollution, air pollution, water pollution, noise control, and/or the handling, discharge, existence, release, disposal, or recovery of on-site or off-site hazardous, toxic or dangerous wastes, substances, chemicals, or materials, and (g) the ordinances, rules, regulations, orders, notices of violation, requests, demands, and requirements issued or promulgated by any Governmental Unit in connection with such statutes or laws.

81. "Equitas" shall mean (i) Equitas Limited, Equitas Reinsurance Limited, Equitas Holdings Limited, Equitas Management Services Limited, and Equitas Policyholders Trust Limited; (ii) all the present and former officers, directors, trustees, employees, subsidiaries, affiliates, representatives, attorneys and agents of the entities set forth in sub-paragraph (i) hereof, and their respective predecessors and successors, if any, in such capacity; and (iii) the respective heirs, executors, administrators, successors, assigns and reinsurers (as such) of any of the Persons identified in sub-paragraphs (i) and (ii) hereof.

82. "Estates" means the estates created for the Debtors pursuant to section 541 of the Bankruptcy Code on the Petition Date.

83. "Final Order" means an order of a court: (a) as to which the time to appeal, petition for writ of certiorari, or otherwise seek appellate review or to move for reargument, rehearing, or reconsideration has expired and as to which no appeal, petition for writ of certiorari, or other appellate review, or proceedings for reargument, rehearing, or reconsideration shall then be pending; (b) or as to which any right to appeal, petition for certiorari, or move for reargument or rehearing shall have been waived in writing by the party with such right; or (c) in the event that an appeal, writ of certiorari, or other appellate review or reargument, rehearing, or reconsideration thereof has been sought, which shall have been affirmed by the highest court to which such order was appealed from which writ of certiorari or other appellate review or reargument, rehearing, or reconsideration was sought, and as to which the time to take any further appeal, to petition for writ of certiorari, to otherwise seek appellate review, and to move for reargument, rehearing, or reconsideration shall have expired; *provided, however*, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure or under section 1144 of the Bankruptcy Code, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not cause such order not to be a Final Order.

84. "First Amended Plan" means the Plan as amended by the First Amendment to Joint Prepackaged Plan of Reorganization for the Debtors Under Chapter 11 of the United States Bankruptcy Code, and all exhibits attached thereto or referenced therein.

85. "General Unsecured Claim" means an Unsecured Claim that is not an Asbestos Unsecured PI Trust Claim or a Silica Unsecured PI Trust Claim.

86. "GIT Affiliate" means any Affiliate of a GIT Debtor or a Reorganized GIT Debtor. For purposes of this definition, GIT Affiliate includes (i) any Affiliate existing as of the date of the Harbison-Walker Settlement Agreement or any future Affiliate of such an Affiliate and (ii) each of the RHI Entities.

87. "GIT Debtor" means ANH Refractories Company, A.P. Green Industries, Inc., A.P. Green International, Inc., A.P. Green Refractories, Inc., A.P. Green Services, Inc., APG Development Corp., APG Refractories Corp., Chiam Technologies, Inc., Detrick Refractory Fibers, Inc., Global Industrial Technologies, Inc., Global Industrial Technologies Services, Inc., Global Processing Systems, Inc., GPX Acquisition, Inc., GPX Corp., GIX Foreign Sales Corp., GPX Forge, Inc., GPX Forge-U, Inc., Harbison-Walker, Harbison-Walker International Refractories, Inc., Harbison-Walker Refractories Europe, Ltd., Indresco International Ltd., Intogreen Co., Lanxide Thermocomposites, Inc., RHI American Receivables Corporation, RHI Refractories America, Inc., and TMPSC, Inc.

88. "Governmental Unit" means any domestic, foreign, provincial, federal, state, local, or municipal government, governmental agency, commission, department, bureau, ministry, or other governmental entity.

89. "Halliburton" means Halliburton Company, a Delaware corporation.

90. "Halliburton Asbestos PI Trust Guarantee" means the guarantee, in substantially the form attached as Exhibit 6 to the Plan, to be executed by Halliburton and delivered to the Asbestos PI Trust to guarantee the obligations of DII Industries under the Asbestos PI Trust Note.

91. "Halliburton Asbestos PI Trust Stock" means the 59.5 million shares of common stock to be contributed to the Asbestos PI Trust pursuant to the Plan; *provided, however*, that the common stock contributed shall be subject to adjustment for any subdivision, combination, or distribution with respect to the common stock of Halliburton occurring after the Solicitation Date and prior to the Effective Date, so that the Asbestos PI Trust will own, or be entitled to receive, the same kind and number of securities of Halliburton that the Asbestos PI Trust would have owned or been entitled to receive if the 59.5 million shares of common stock had been issued to the Asbestos PI Trust prior to the date of any such subdivision, combination, or distribution.

92. "Halliburton Current Affiliate" means those entities listed on Exhibit 16 to the Plan, as such Exhibit may be amended and/or supplemented through the Confirmation Date.

93. "Halliburton Entity" means each of (a) the Debtors, (b) Halliburton, (c) the Halliburton Current Affiliates, and (d) the present and former directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such.

94. "Halliburton Future Affiliate" means any Entity that becomes an Affiliate of Halliburton after the Confirmation Date, but only to the extent that such Affiliate is alleged to have liability on account of being an Affiliate of, successor of, successor-in-interest to, direct or indirect transferee of, or successor to, any assets of a Debtor, Halliburton, or a Halliburton Current Affiliate.

95. "Halliburton Group" means Halliburton and its current and future affiliates.

96. "Halliburton Intercompany Settlement Agreement" means the settlement agreement between the Debtors and Halliburton attached as Exhibit 15 to the Plan.

97. "Halliburton Protected Party" means each of (a) the Debtors, (b) the Reorganized Debtors, (c) Halliburton, (d) the Halliburton Current Affiliates, (e) the Halliburton Future Affiliates, and (f) the present and former

directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such.

98. "Halliburton Silica PI Trust Guarantee" means the guarantee, in substantially the form attached as Exhibit 12 to the Plan, to be executed by Halliburton and delivered to the Silica PI Trust to guarantee the obligations of DII Industries and KBR under the Silica PI Trust Note.

99. "Harbison-Walker" means Harbison-Walker Refractories Company, a Delaware corporation and a debtor in Case No. 02-21626 (Jointly Administered) before the Bankruptcy Court.

100. "Harbison-Walker Asbestos PI Trust Claim" means an Asbestos Unsecured PI Trust Claim that is also assertable against one or more of the Harbison-Walker Entities.

101. "Harbison-Walker Cases" means the jointly administered bankruptcy cases of the GIT Debtors before the Bankruptcy Court.

102. "Harbison-Walker Entity" means each of (a) Harbison-Walker, (b) Harbison-Walker Refractories Europe, Ltd., (c) Indresco International Ltd., (d) Indresco Jeffrey Industria e Commercio Ltda., and (e) the present and former directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such.

103. "Harbison-Walker Protected Party" means each of (a) the GIT Debtors, (b) the Reorganized GIT Debtors, (c) the GIT Affiliates, and (d) the present and former directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such but, with respect to each Harbison-Walker Protected Party, only to the extent that such is alleged to be liable for an Asbestos Unsecured PI Trust Claim or a Silica Unsecured PI Trust Claim.

104. "Harbison-Walker Refractories" means the former Harbison-Walker Refractories division of Dresser Industries.

105. "Harbison-Walker Settlement Agreement" means the settlement agreement, attached as Exhibit O to the Disclosure Statement, between the GIT Debtors, on the one hand, and DII Industries and Halliburton, on the other.

106. "Harbison-Walker Shared Insurance Policies" means the insurance policies listed on Exhibit A to the Harbison-Walker Settlement Agreement.

107. "Harbison-Walker Silica PI Trust Claim" means a Silica Unsecured PI Trust Claim that is also assertable against one or more of the Harbison-Walker Entities.

108. "HESI" means Halliburton Energy Services, Inc., a Delaware corporation.

109. "HESI Notes" means the promissory notes of HESI to be issued to DII Industries in connection with the prefiling restructuring transactions described in section 1.5 of the Disclosure Statement.

110. "Indirect Asbestos PI Trust Claim" means a Claim or Demand that (a) is based upon a right of contribution, reimbursement, subrogation, indemnity (whether arising by contract or by operation of law) or virile share (as those terms are defined by the nonbankruptcy law of any relevant jurisdiction), or similar Claims or Demands, whether or not such Claim or Demand is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, whether or not the facts or legal bases therefore are known or unknown, and regardless of whether in the nature of, or sounding in, contract, tort, warranty, guarantee, contribution, joint and several liability, subrogation,

reimbursement, indemnity, statutory right, conspiracy, conducting a fraudulent defense, or any other theory of law, equity, or admiralty and (b) asserts liability or responsibility, directly or indirectly, arising out of, attributable to, or resulting from, an Asbestos PI Trust Claim.

111. "Indirect Silica PI Trust Claim" means a Claim or Demand that (a) is based upon a right of contribution, reimbursement, subrogation, indemnity (whether arising by contract or by operation of law) or virile share (as those terms are defined by the nonbankruptcy law of any relevant jurisdiction), or similar Claims or Demands, whether or not such Claim or Demand is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, whether or not the facts or legal bases therefore are known or unknown, and regardless of whether in the nature of, or sounding in, contract, tort, warranty, guarantee, contribution, joint and several liability, subrogation, reimbursement, indemnity, statutory right, conspiracy, conducting a fraudulent defense, or any other theory of law, equity, or admiralty and (b) asserts liability or responsibility, directly or indirectly, arising out of, attributable to, or resulting from a Silica PI Trust Claim.

112. "Initial Payment Percentage" means the fraction the numerator of which is $2.775 billion and the denominator of which is the aggregate value of Qualified Claims as of the Initial Payment Percentage Determination Date; *provided, however*, that the Initial Payment Percentage shall not be greater than 100% or lower than 89.95%.

113. "Initial Payment Percentage Determination Date" means the one-hundred and fifth (105th) day following entry of the Confirmation Order.

114. "Injunctions" means the Discharge Injunction, the Permanent Channeling Injunction, the Asbestos/Silica Insurance Company Injunction, and the 346 Injunction issued by the Bankruptcy Court or the District Court in the Reorganization Cases.

115. "Intercompany Claims" means all claims by and between (a) one Debtor and another Debtor and/or (b) any Debtor and Halliburton or a Halliburton Current Affiliate.

116. "Intercompany Settlement Claims" means any and all claims included within the scope of claims to be released under the *Halliburton Intercompany Settlement Agreement*.

117. "Interest" means the rights of the holders of the equity securities of a Debtor and the rights of any Entity to purchase or demand the issuance of any equity security of such Debtor, including (a) redemption, conversion, exchange, voting, participation, and dividend rights, (b) liquidation preferences, and (c) stock options and warrants.

118. "IRC" means the Internal Revenue Code of 1986, as amended.

119. "KBR" means Kellogg Brown & Root, Inc., a Delaware corporation.

120. "KBR Debtors" means KBR and the KBR Subsidiaries.

121. "KBR Engineering" means Kellogg Brown & Root Engineering Corporation, a New York corporation.

122. "KBR International (Delaware)" means Kellogg Brown & Root International, Inc., a Delaware corporation.

123. "KBR International (Panama)" means Kellogg Brown & Root International, Inc., a Panamanian corporation.

124. "KBR Services" means Kellogg Brown & Root Services, Inc.

125. "KBR Subsidiaries" means Mid-Valley, KBR Technical, KBR Engineering, KBR International (Delaware), and KBR International (Panama).

126. "KBR Technical" means KBR Technical Services, Inc., a Delaware corporation.

127. "Legal Representative" means the Legal Representative for future and unknown Asbestos PI Trust Claimants and Silica PI Trust Claimants, who shall be Professor Eric D. Green, or such other individual as may be appointed by the Bankruptcy Court to protect the rights of persons that might, subsequent to the Confirmation Date, assert Demands.

128. "Lender Protected Party" means any Entity that makes a loan to (a) a Reorganized Debtor, (b) a Halliburton Entity, (c) a Harbison-Walker Protected Party, (d) the Asbestos PI Trust, or (e) the Silica PI Trust, or makes a loan to a successor of, successor-in-interest to, or direct or indirect transferee of any of the foregoing, but only to the extent that liability is asserted to exist by reason of such Entity becoming such a lender or to the extent that any pledge of assets made in connection with such a loan is sought to be upset or impaired.

129. "Liberty Mutual" shall mean Liberty Mutual Insurance Company; all of its present and former officers, directors, employees, subsidiaries, affiliates, representatives, attorneys and agents, and their respective predecessors and successors, if any, in such capacity, and the respective heirs, executors, administrators, successors, assigns and reinsurers (as such) of any of the foregoing.

130. "LIBOR" means the London interbank offered rate of interest.

131. "Lien" means, with respect to any asset or property, any mortgage, lien, pledge, charge, security interest, encumbrance, or other security device of any kind pertaining to, or affecting such asset or property.

132. "Liquidated Amount" means, (a) with respect to any Asbestos PI Trust Claim or Silica PI Trust Claim liquidated by settlement, the amount set forth in an applicable Asbestos/Silica PI Trust Claimant Settlement Agreement, provided that the Claimant satisfies the conditions for payment set forth in such agreement, (b) with respect to an Asbestos Final Judgment Claim or Silica Final Judgment Claim, the amount of such judgment, or (c) for all other Asbestos PI Trust Claims or Silica PI Trust Claims, the amount established pursuant to the Asbestos TDP or Silica TDP, as the case may be.

133. "Liquidated Asbestos PI Trust Claim" means (a) a Qualifying Settled Asbestos PI Trust Claim, (b) an Asbestos Final Judgment Claim, or (c) an Unliquidated Asbestos PI Trust Claim that has been reduced to a Liquidated Amount under the Asbestos TDP.

134. "Liquidated Silica PI Trust Claim" means (a) a Qualifying Settled Silica PI Trust Claim, (b) a Silica Final Judgment Claim, or (c) an Unliquidated Silica PI Trust Claim that has been reduced to a Liquidated Amount under the Silica TDP.

135. "Liquidation Analysis" means the liquidation analysis attached as Exhibit E to the Disclosure Statement.

136. "Maximum Annual Payment" means the maximum annual payment that may be established by the Trustees of the Asbestos PI Trust or Silica PI Trust, as the case may be, pursuant to the Asbestos TDP or Silica TDP.

137. "Medical/Exposure Criteria" means the presumptive medical/exposure criteria established respectively under the Asbestos TDP or Silica TDP.

138. "Mid-Valley" means Mid-Valley, Inc., a Pennsylvania corporation.

139. "Mid-Valley Pledge Agreement" means the pledge agreement, in substantially the form attached as Exhibit 13 to the Plan, to be executed by KBR and delivered to the Silica PI Trust on the Effective Date.

140. "M.W. Kellogg" means The M.W. Kellogg Company, a predecessor of KBR.

141. "Non-Compensatory Damages" means any damages awarded by a court of competent jurisdiction that are penal in nature, including, without limitation, punitive, punitory, exemplary, vindictive, imaginary, or presumptive damages.

142. "Other Secured Claim" means a Secured Claim that is not an Asbestos Secured Claim or a Silica Secured Claim.

143. "Payment Percentage" means (a) the Initial Payment Percentage with respect to (i) Qualifying Settled Asbestos PI Trust Claims, (ii) Qualifying Settled Silica PI Trust Claims, (iii) Asbestos Final Judgment Claims, and (iv) Silica Final Judgment Claims, (b) the payment percentage established by the Trustees of the Asbestos PI Trust, with consent of the Legal Representative and the Asbestos TAC, for Asbestos Unsecured PI Trust Claims liquidated under the Asbestos TDP (other than claims paid as Disease Level I claims under the Asbestos TDP); *provided, however*, that such Payment Percentage shall not exceed the Initial Payment Percentage prior to the first (1st) anniversary of the Effective Date, (c) the payment percentage established by the Trustee of the Silica PI Trust, with consent of the Legal Representative and the Silica TAC, for Silica Unsecured PI Trust Claims liquidated under the Silica TDP; *provided, however*, that such Payment Percentage shall not exceed the Initial Payment Percentage prior to the first (1st) anniversary of the Effective Date, and (d) 100% for Asbestos Unsecured PI Trust Claims liquidated under the Asbestos TDP and paid as claims for Other Asbestos Disease (Disease Level I).

144. "PBGC" means the Pension Benefit Guaranty Corporation.

145. "Pension Plans" means any ongoing, defined benefit pension plans to which the Debtors are contributing sponsors and to which Title IV of the Employee Retirement Income Security Act applies.

146. "Permanent Channeling Injunction" means the injunction set forth in article 10.3(a) of the Plan.

147. "Person" means any person, individual, partnership, corporation, limited liability company, joint venture company, association or other entity or being of whatever kind, whether or not operating or existing for profit, including, without limitation, any "person" as such term is defined in section 101(41) of the Bankruptcy Code, but excluding any Governmental Unit.

148. "Petition Date" means the date on which the Reorganization Cases are commenced with the filing of voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

149. "Plan" means the Joint Prepackaged Plan of Reorganization for the Debtors Under Chapter 11 of the United States Bankruptcy Code, as amended by the First Amendment to Joint Prepackaged Plan of Reorganization for the Debtors Under Chapter 11 of the United States Bankruptcy Code, and all exhibits attached thereto or referenced therein, as the same may be amended, modified, or supplemented.

150. "Plan Documents" means the Plan, the Disclosure Statement, and all documents, attachments, and exhibits attached to the Plan or the Disclosure Statement that aid in effectuating the Plan, including, without limitation, the Asbestos PI Trust Documents and the Silica PI Trust Documents, as the same may be amended, modified, or supplemented, in accordance with their terms, and the Asbestos/Silica PI Trust Claimant Settlement Agreements and the Asbestos/Silica Insurance Settlement Agreements.

151. "Plan-Process Participants" means the Debtors, Halliburton, the Halliburton Current Affiliates, the Asbestos Committee, the Unsecured Creditors Committee, if one is appointed, the Legal Representative, as well as the respective stockholders, directors, officers, agents, employees, members, attorneys, accountants, financial advisors, and representatives of the foregoing, in their respective capacities as such.

152. "Priority Claim" means any Claim (other than an Administrative Claim or a Priority Tax Claim) to the extent such Claim is entitled to a priority in payment under section 507(a) of the Bankruptcy Code.

153. "Priority Tax Claim" means any Claim to the extent that such Claim is entitled to a priority in payment under section 507(a)(8) of the Bankruptcy Code.

154. "Professional Persons" means Persons retained or to be compensated under sections 327, 328, 330, 503(b), and 1102 of the Bankruptcy Code.

155. "Proof of Claim" means any proof of claim filed with the Bankruptcy Court with respect to a Debtor pursuant to Bankruptcy Code section 501 and Bankruptcy Rules 3001 or 3002.

156. "Qualified Claim" means a Settled Asbestos PI Trust Claim or a Settled Silica PI Trust Claim that (a) is covered by an Asbestos/Silica PI Trust Claimant Settlement Agreement listed on Exhibit 3 to the Plan, as amended as of November 14, 2003, and (b) has been determined by the Debtors to satisfy the medical criteria for payment under the applicable settlement agreement, regardless of when, how, and by whom such claim is paid.

157. "Qualifying Settled Asbestos PI Trust Claim" means a Settled Asbestos PI Trust Claim that satisfies all of the conditions for payment under an applicable Asbestos/Silica PI Trust Claimant Settlement Agreement.

158. "Qualifying Settled PI Trust Claim" means a Qualifying Settled Asbestos PI Trust Claim or a Qualifying Settled Silica PI Trust Claim.

159. "Qualifying Settled Silica PI Trust Claim" means a Settled Silica PI Trust Claim that satisfies all of the conditions for payment set forth under an applicable Asbestos/Silica PI Trust Claimant Settlement Agreement.

160. "Released Claim" means any claim that is (a) an Asbestos PI Trust Claim, (b) a Silica PI Trust Claim, or (c) a Derivative Claim.

161. "Released Debtor Party" means each of (a) the Debtors, (b) the Reorganized Debtors, and (c) the Debtors' and Reorganized Debtors' present and former directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and the employees of each of the foregoing, in their respective capacities as such.

162. "Released Non-Debtor Affiliate" means each of (a) Halliburton, (b) Halliburton Current Affiliates, (c) the respective successors, successors-in-interest, and assigns (by merger, assignment of assets, consolidation, operation of law, or otherwise) of any of the foregoing, and (d) the present and former directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such.

163. "Reorganization Cases" means the cases of the Debtors under chapter 11 of the Bankruptcy Code before the Bankruptcy Court.

164. "Reorganized Debtor" means each of Mid-Valley, DII Industries, KBR, KBR Engineering, KBR International (Delaware), KBR International (Panama), KBR Technical, or BPM and/or any of their successors, successors-in-interest, and assigns (by merger, assignment of assets, consolidation, operation of law, or otherwise, including any Entity or Entities designated as successor or successor-in-interest in the Confirmation Order), on or after the Effective Date.

165. "Reorganized GIT Debtor" means any GIT Debtor that is reorganized pursuant to a plan of reorganization under chapter 11 of the Bankruptcy Code.

166. "RHI Asbestos PI Trust Contribution" means the $950,000.00 payment to be made by DII Industries to the Asbestos PI Trust on behalf of the RHI Entities pursuant to the Settlement and Mutual Release Agreement entered into between DII Industries and RHI Refractories, dated April 8, 2004.

167. "RHI Entities" means each of those Entities listed on Exhibit 19 to the Plan, and their respective successors or assigns.

168. "RHI Refractories" means RHI Refractories Holding Company.

169. "RHI Silica PI Trust Contribution" means the $50,000.00 payment to be made by DII Industries to the Silica PI Trust on behalf of the RHI Entities pursuant to the Settlement and Mutual Release Agreement entered into between DII Industries and RHI Refractories, dated April 8, 2004.

170. "Schedules" means the schedules, statements, and lists filed by the Debtors with the Bankruptcy Court pursuant to Bankruptcy Rule 1007, if such documents are filed, as may be amended or supplemented from time to time.

171. "SEC" means the United States Securities and Exchange Commission.

172. "Secured Claim" means any Claim that is (a) secured in whole or part, as of the Petition Date, by a Lien against property of a Debtor or a Harbison-Walker Entity that is valid, perfected, and enforceable under applicable law and is not subject to avoidance under the Bankruptcy Code or applicable nonbankruptcy law, or (b) subject to setoff under section 553 of the Bankruptcy Code; *provided, however*, with respect to both (a) and (b) above, a Claim is a Secured Claim only to the extent of the value, net of any senior Lien, of the Estate's interest in the assets or property securing any such Claim or the amount subject to setoff, as the case may be.

173. "Settled Asbestos PI Trust Claim" means an Asbestos PI Trust Claim settled pursuant to an Asbestos/Silica PI Trust Claimant Settlement Agreement, subject to the satisfaction of the terms and conditions therein.

174. "Settled Asbestos PI Trust Claimant" means a holder of a Settled Asbestos PI Trust Claim.

175. "Settled PI Trust Claim" means a Settled Asbestos PI Trust Claim or a Settled Silica PI Trust Claim.

176. "Settled Silica PI Trust Claim" means a Silica PI Trust Claim settled pursuant to an Asbestos/Silica PI Trust Claimant Settlement Agreement, subject to the satisfaction of the terms and conditions therein.

177. "Settled Silica PI Trust Claimant" means a holder of a Settled Silica PI Trust Claim.

178. "Settlement Amount" means the amount of a Qualifying Settled Asbestos PI Trust Claim or a Qualified Settled Silica PI Trust Claim under an applicable Asbestos/Silica PI Trust Claimant Settlement Agreement.

179. "Settlement Released Parties" means (a) with respect to any Debtor, each of the other Debtors, (b) Halliburton, (c) each of the Halliburton Current Affiliates, (d) each of the Halliburton Future Affiliates, (e) the successors of, successors-in-interest to, direct or indirect transferees of, or successors to any assets of, any of the foregoing, and (f) the present and former directors, officers, agents, attorneys, accountants, consultants, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing in their respective capacities as such.

180. "Settling Asbestos/Silica Insurance Company" means any Asbestos/Silica Insurance Company that has entered into an Asbestos/Silica Insurance Settlement Agreement that is sufficiently comprehensive, in the sole judgment of a Debtor or Reorganized Debtor, to warrant treatment under section 524(g) of the Bankruptcy Code, which determination by such Debtor shall be indicated (a) by the inclusion of such Asbestos/Silica Insurance Settlement Agreement and Settling Asbestos/Silica Insurance Company on Exhibit 2 to the Plan or an amendment thereto or (b) if after the Effective Date, by filing a notice with the Bankruptcy Court and serving a copy of such notice on the parties identified in article 13.16 of the Plan.

181. "Silica Bonded Claim" means any Silica PI Trust Claim relating to a judgment as to which, but only to the extent that, a supersedeas bond or such other similar filing was posted by or on behalf of a Debtor; *provided, however*, the amount of such Silica Bonded Claim shall not exceed the amount of judgment as determined by a Final Order or, if a Silica Unsecured PI Trust Claim, as liquidated pursuant to the Silica TDP.

182. "Silica Claimant Settlement Agreement" means an Asbestos/Silica PI Trust Claimant Settlement Agreement that concerns silica and is listed on Exhibit 3 to the Plan, as the exhibit may be amended or supplemented from time to time.

183. "Silica Final Judgment Claim" means a Silica Unsecured PI Trust Claim reduced to a liquidated amount prior to the Confirmation Date by a final, nonappealable judgment.

184. "Silica PI Trust" means the tax-qualified settlement trust to be established pursuant to the Silica PI Trust Agreement.

185. "Silica PI Trust Agreement" means the Silica PI Trust Agreement, effective as of the Effective Date, substantially in the form attached as Exhibit 10 to the Plan, as it may be modified from time to time.

186. "Silica PI Trust Assets" means (a) the Silica PI Trust Initial Cash Amount, (b) the Silica PI Trust Funding Agreement, (c) the Silica PI Trust Note, (d) the Halliburton Silica PI Trust Guarantee, (e) the Mid-Valley Pledge Agreement, and (f) the RHI Silica PI Trust Contribution, and all income, profits, and proceeds derived from any of the foregoing.

187. "Silica PI Trust Bylaws" means the Silica PI Trust Bylaws, effective as of the Effective Date, substantially in the form attached as Annex 2 to the Silica PI Trust Agreement, as such bylaws may be modified from time to time in accordance with the terms of the Silica PI Trust Agreement.

188. "Silica PI Trust Cash Contribution" means the amount of Cash to be funded into the Silica PI Trust on behalf of holders of Qualifying Settled Silica PI Trust Claims pursuant to the Silica Trust Funding Agreement.

189. "Silica PI Trust Claim" means (a) any Claim or Demand, including a claim for damages, if any, arising from the rejection of an executory contract, whether now existing or hereafter arising or asserted against a Halliburton Entity or a Harbison-Walker Entity, and/or (b) any debt, obligation or liability (whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, bonded, secured, or unsecured), whenever and wherever arising or asserted, whether under a direct or indirect theory of liability, of a Halliburton Entity or a Harbison-Walker Entity (including, without limitation, all debts, obligations, and liabilities in the nature of or sounding in tort, contract, warranty, or any other theory of law, equity or admiralty, whether under common law or by statute); in either case (a) or (b), for, resulting from, attributable to, or arising by reason of, directly or indirectly, physical, emotional, bodily, or other personal injury or damages (including, without limitation, any Claim or Demand for compensatory damages, loss of consortium, medical monitoring, survivorship, wrongful death, proximate, consequential, general, special or punitive damages, reimbursement, indemnity, warranty,

contribution or subrogation) whether or not diagnosable or manifested before the Confirmation of the Plan or the close of these Reorganization Cases, (x) caused or allegedly caused, in whole or in part, directly or indirectly (i) by silica or silica-containing products sold, installed, handled, used, specified, made, distributed, or removed by a Halliburton Entity or a Harbison-Walker Entity, or other Entity for which a Halliburton Entity or a Harbison-Walker Entity is or may be liable or (ii) by services, actions, or operations provided, completed, performed, or taken with silica or silica-containing products by or at the direction of a Halliburton Entity or a Harbison-Walker Entity, or other Entity for which a Halliburton Entity or a Harbison-Walker Entity is or may be liable, or (y) caused or allegedly caused by silica or silica-containing products for which a Halliburton Entity or a Harbison-Walker Entity, or other Entity for which a Halliburton Entity or a Harbison-Walker Entity is or may be liable, are liable under any applicable law or by contract, whether or not arising, or allegedly arising, directly or indirectly from acts or omissions of such Halliburton Entity or a Harbison-Walker Entity, or other Entity for which a Halliburton Entity or a Harbison-Walker Entity is or may be liable. Silica PI Trust Claims include, without limitation, Silica Secured PI Trust Claims, Silica Unsecured PI Trust Claims, Qualifying Settled Silica PI Trust Claims, Indirect Silica PI Trust Claims, Harbison-Walker Silica PI Trust Claims, Silica Final Judgment Claims, Silica Bonded Claims, and Silica PI Trust Expenses. For purposes of this definition, Silica PI Trust Claim does not include (i) any claim by any present or former employee of a Debtor for benefits under a policy of workers' compensation insurance or for benefits of any state or federal workers' compensation statute or other statute providing compensation to an employee from an employer to the extent that such claim is asserted against the Silica PI Trust by an individual claimant, or (ii) any Silica PI Trust Claim that is also assertable as an Asbestos PI Trust Claim.

190. "Silica PI Trust Claimant" means the holder of a Silica Unsecured PI Trust Claim.

191. "Silica PI Trust Documents" means the Silica PI Trust Agreement, the Silica PI Trust Bylaws, the Silica TDP, and the other agreements, instruments, and documents governing the establishment, administration, and operation of the Silica Trust, as such may be amended or modified from time to time in accordance with the Plan and the terms of such documents.

192. "Silica PI Trust Expenses" means any of the silica expenses, and any other liabilities, costs or expenses of, or imposed upon, assumed by, or in respect of the Silica PI Trust (except for payments to holders of Silica PI Trust Claims on account of such Silica PI Trust Claims).

193. "Silica PI Trust Funding Agreement" means the agreement, in substantially the form attached as Exhibit 14 to the Plan, to be entered into on the Effective Date between the Trustees of the Silica PI Trust and the Reorganized Debtors with respect to the Silica PI Trust Cash Contribution and the mechanisms and procedures for payment of Qualifying Settled Silica PI Trust Claims.

194. "Silica PI Trust Indemnification Agreement" means the indemnification agreement attached as Annex 1 to the Silica PI Trust Agreement.

195. "Silica PI Trust Indemnified Claim" means any claim indemnified in accordance with the terms of any Silica PI Trust Documents.

196. "Silica PI Trust Initial Cash Amount" means $15 million.

197. "Silica PI Trust Note" means the promissory note, in substantially the form attached as Exhibit 11 to the Plan, to be executed by DII Industries and KBR, and delivered to the Silica PI Trust on the Effective Date.

198. "Silica Secured Claim" means a Silica PI Trust Claim, including a Silica Bonded Claim to the extent bonded with property of the Debtors' Estates, that is also a Secured Claim.

199. "Silica TAC" means the Silica Trust Advisory Committee created pursuant to the Silica PI Trust Agreement, as may be reconstituted from time to time in accordance with the terms thereof.

200. "Silica TDP" means the trust distribution procedures substantially in the form attached as Annex 3 to the Silica PI Trust Agreement, as such procedures may be modified from time to time in accordance with the Silica PI Trust Agreement.

201. "Silica Unsecured PI Trust Claim" means any Silica PI Trust Claim other than a Silica Secured PI Trust Claim to the extent such Claim is a Secured Claim.

202. "Solicitation Date" means September 18, 2003, the date on which solicitation of acceptances of the Plan commenced.

203. "Stockholder Agreement" means that agreement between Halliburton and the Asbestos PI Trust attached in substantially the form to be executed as Exhibit 18 to the Plan, which will govern the rights of the Asbestos PI Trust with respect to the Halliburton Asbestos PI Trust Stock.

204. "Successor Protected Party" means any Entity that is or becomes a successor, successor-in-interest, or assign (by merger, assignment of assets, consolidation, operation of law, or otherwise, including any Entity designated as successor or successor-in-interest in the Confirmation Order) of any Halliburton Protected Party, Harbison-Walker Protected Party, Debtor-Indemnified Protected Party, Transferee Protected Party, or Lender Protected Party, including but not limited to those entities listed on Exhibit 20 to the Plan, but only to the extent that (a) liability is asserted to exist by reason of such Entity being or becoming a successor, successor-in-interest, or assign of one of the foregoing and (b) such Entity has a right to be indemnified by such foregoing party for such liability.

205. "Transferee Protected Party" means the Asbestos PI Trust, the Silica PI Trust, or any Entity that is or becomes a direct or indirect transferee of, or successor to, any assets of any Debtor, Reorganized Debtor, any Halliburton Protected Party, any Harbison-Walker Protected Party, the Asbestos PI Trust, or the Silica PI Trust, including but not limited to those entities listed on Exhibit 21 to the Plan, but only to the extent that (a) liability is asserted to exist by reason of such Entity being or becoming a transferee of, or successor to, assets of one of the foregoing and (b) such Entity has a right to be indemnified by such foregoing party for such liability.

206. "Trust Notes" means the Asbestos PI Trust Note and the Silica PI Trust Note.

207. "Trustee" or "Trustees" means, as the context requires, the Persons appointed pursuant to the Plan for the purpose of acting as initial trustees of the Asbestos PI Trust and/or Silica PI Trust in accordance with the terms and conditions contained in the applicable Asbestos PI Trust Documents or Silica PI Trust Documents, the Plan and the Confirmation Order and any successor appointed pursuant to the applicable Asbestos PI Trust Agreement or the Silica PI Trust Agreement.

208. "Underwriters" shall mean all the underwriters, members or names, at Lloyd's who, through their participation in syndicates (including, without limitation, those identified on Exhibit 2 to the Plan), severally subscribed, each in his own proportionate share, to one or more of the Subject Insurance Policies (as such term is defined in Paragraph I.AA of the Settlement Agreement and Mutual Release between Halliburton, DII Industries, and certain Underwriters at Lloyd's, London, dated March __, 2004). Underwriters shall include, without limitation, all underwriters, members or names at Lloyd's, London, whether or not they participated in the syndicates identified above, who, through their participation in such syndicates severally subscribed to any of the Subject Insurance Policies (a) the existence of which has not presently been established; or (b) the existence of which has been established but as to which the identities of the names, members or syndicates are not presently known. For avoidance of doubt, Equitas is not within the definition of "Underwriter."

209. "United States Trustee" means the United States Trustee for the Western District of Pennsylvania, Pittsburgh Division.

210. "Unliquidated Asbestos PI Trust Claim" means an Asbestos Unsecured PI Trust Claim that is not a Liquidated Asbestos PI Trust Claim.

211. "Unliquidated Silica PI Trust Claim" means a Silica Unsecured PI Trust Claim that is not a Liquidated Silica PI Trust Claim.

212. "Unsecured Claim" means any Claim that is not a Secured Claim, Priority Claim, or Priority Tax Claim, including, without limitation, to (a) any claim arising from the rejection of an executory contract or unexpired lease under section 365 of the Bankruptcy Code and (b) any portion of a Claim to the extent the value of the holder's interest in the Estate's interest in the property securing such Claim is less than the amount of the Claim or, to the extent that the amount of the Claim subject to setoff is less than the amount of the Claim, as determined pursuant to section 506(a) of the Bankruptcy Code.

213. "Unsecured Creditors Committee" means the Official Committee of Unsecured Creditors, if any, appointed by the United States Trustee in the Reorganization Cases pursuant to section 1102 of the Bankruptcy Code.