

LIQUIDATION TRUST AGREEMENT

This liquidation trust agreement (the “**Agreement**” or, at times, “**Liquidation Trust Agreement**”) is dated as of _____, 2018, and is entered into by and between Wellman Dynamics Corporation, now known as Fansteel Foundry Corp. (“**WDC Debtor**”) and Daniel Dooley (the “**Liquidation Trustee**”), for the benefit of the “**Beneficiaries**” (defined below), under the terms of that certain Disclosure Statement and Plan of Liquidation, dated June 22, 2018 (as amended, modified, and/or supplemented, the “**Plan**”), confirmed by the United States Bankruptcy Court for the Southern District of Iowa (the “**Bankruptcy Court**” or “**Court**”) in Chapter 11 Case No. 16-01825-als11 (the “**Chapter 11 Case**”), by Order (the “**Confirmation Order**”) dated _____, 2018 (the “**Confirmation Date**”).

RECITALS

A. The Liquidation Trust (defined below) is established pursuant to the Plan as a liquidating trust in accordance with Treasury Regulation Section 301.7701-4(d) for the sole purpose of liquidating the Liquidation Trust Assets (defined below) in an expeditious and orderly manner and distributing the proceeds thereof to the Beneficiaries in accordance with the Plan with no objective to continue or engage in the conduct of a trade or business except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Liquidation Trust and the Plan; and

B. The Liquidation Trust is intended to qualify as a “grantor trust” for U.S. federal income tax purposes pursuant to Sections 671 through 677 of the Internal Revenue Code of 1986 (as amended, the “**Tax Code**”), with the Beneficiaries treated as the grantors and owners of the Liquidation Trust.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in the Plan, the WDC Debtor and the Liquidation Trustee agree as follows:

DEFINITIONS AND INTERPRETATIONS

Use of Plan Definitions. All capitalized terms which are used in this Agreement, but not defined herein, shall have the meaning set forth in the Plan and/or Confirmation Order, and if not in the Plan or Confirmation Order, in the Bankruptcy Code.

Definitions.

“Administrative Claims” means any Claim under sections 503(b) and 507(a)(2) of the Bankruptcy Code, including, without limitation: (a) the actual, necessary costs and expenses incurred by the Debtor after the Petition Date of preserving the Estate or operating the Debtor’s business; (b) Professional Fee Claims, (c) Allowed Trust Claims pursuant to section 503(b)(9) of the Bankruptcy Code, (d) U.S. Trustee Fees, and (e) any Allowed Trust Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court.

“Allowed Trust Claim” means the Claims which are Allowed as that term is defined in the Plan.

“Asset Purchase Agreement” means that that certain Asset Purchase Agreement (“APA”) for the sale of the WDC Assets between the WDC Debtor and buyer, WDC Acquisition, LLC (“Buyer”).

“Beneficiaries” means the holders of Allowed Trust Claims, whether their Claims are Allowed before or after the date when the Plan becomes effective (“Effective Date”).

“**Business Days**” means any day other than a Saturday, Sunday or any other day on which commercial banks in New York, New York are required or authorized to close by law or executive order.

“**Causes of Action**” means any and all claims, rights, actions, choses in action, suits, causes of action, liens, judgments and damages belonging to the WDC Debtor or its Bankruptcy Estate and/or the Committee, and/or which may be assigned to the WDC Debtor and/or Liquidation Trust, and any and all liabilities, obligations, covenants, undertakings and debts owing to the Bankruptcy Estate, including, but not limited to, actions under Chapter 5 of the Bankruptcy Code and D&O claims and actions, whether arising prior to, or after, the Petition Date and in each case whether known or unknown, in law, equity or otherwise, including, without limitation, receivables and those claims and actions to avoid or recover pre-petition or post-petition transfers of money or property pursuant to applicable bankruptcy and non-bankruptcy law. This definition is illustrative only and is not by way of any limitation whatsoever.

“**Claim**” means a claim against the WDC Debtor, whether or not asserted, as defined in Bankruptcy Code Section 101(5).

“**Covered Persons**” has the meaning ascribed to the term in Article 3.12 of this Agreement and includes the Liquidation Trustee and his representatives, professionals and agents.

“**Committee**” means the official committee of unsecured creditors appointed pursuant to section 1102(a) of the Bankruptcy Code in the Chapter 11 Case, as may be reconstituted from time to time.

“**Creditor Note**” shall mean the Note executed by the Buyer and delivered to the Liquidation Trust on the Confirmation Date per the Plan.

“**Cure Amounts**” has the meaning set forth in the APA.

“**Disputed Claims Reserve**” means an appropriate reserve, to be established by the Liquidation Trustee, in consultation with the Post Confirmation Oversight Committee, and administered by the Liquidation Trustee.

“**Disputed Trust Claims**” means the Claims which are Disputed Claims as that term is defined in the Plan.

“**Distribution**” means a distribution of property to a Beneficiary on account of an Allowed Trust Claim pursuant to this Agreement and the Plan.

“**Distribution Date**” means any date on which Distributions are made in accordance with this Agreement and the Plan.

“**Effective Date**” means the Effective Date of the Plan.

“**Encumbrances**” means collectively, any and all security interests, liens, judgments, pledges, Claims, levies, charges, escrows, encumbrances, options, rights of first refusal, transfer restrictions, conditional sale contracts, title retention contracts, mortgages, hypothecations, indentures, security agreements or other agreements, arrangements, contracts, commitments, understandings or obligations of any kind whatsoever, whether written or oral.

“**Entity**” has the meaning ascribed to such term in section 101(15) of the Bankruptcy Code.

“**Exchange Act**” means the Securities and Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Final Order” means an order or a judgment of a court which has not been reversed, stayed, modified or amended, and as to which (a) the time to appeal or to seek review by certiorari or rehearing has expired, and no such appeal, review, certiorari or rehearing petition has been filed, or (b) any such appeal, review, certiorari or rehearing proceeding has been finally determined or dismissed, and the order or judgment is conclusive of all matters adjudicated thereby and in full force and effect.

“Gap Period” means the time period from the Confirmation Date through the Effective Date of the Plan.

“Investment Company Act” means the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

“Liquidation Reserve” means the reserve account, initially funded under the Plan, established and maintained by the Liquidation Trustee for payment of costs, fees and expenses of the Liquidation Trust.

“Liquidation Trust” or at times herein, the “Trust,” means the liquidating trust established pursuant to the terms of this Agreement and, initially, to contain those assets as set forth on the Exhibit “A” hereto.

“Liquidation Trustee” means (a) initially, the individual identified as the “Liquidation Trustee” above, and (b) any successors or replacements duly appointed under the terms of this Agreement and/or by further order of the Bankruptcy Court.

“Liquidation Trust Accounts” means those accounts established and maintained by the Liquidation Trustee to hold the Liquidation Trust Assets.

“Liquidation Trust Assets” means all assets granted to the Liquidation Trust on the Trust Effective Date (whether or not received on or after the Effective Date) including,

but not limited to, the (i) Plan Carve-Out; (ii) the Creditor Note; (iii) Cash; (iv) Causes of Action, and (vi) any Excluded Assets and any other assets, claims or interests of the WDC Debtor and its Estate as may now or subsequently be owned by, due, owing or otherwise belonging to the WDC Debtor, without limitation, except as may be expressly set forth in the Plan.

“Liquidation Trust Interests” means interests in the Liquidation Trust allocable to the holders of Allowed Trust Claims (and any successors, transferees, or assigns thereof).

“Person” means an individual, corporation or partnership, as defined in Bankruptcy Code Section 101(41).

“Plan Carve-Out” means the WDC Sale Proceeds to be used to fund administrative expense claims and priority claims pursuant to the Plan and consistent with the Memorandum of Understanding. One million dollars of the Plan Carve-Out shall be paid to the Environmental Regulators pursuant to the Environmental Settlement Agreement and APA.

“Post Confirmation Oversight Committee” means the post confirmation committee formed by the Committee on the Confirmation Date for oversight purposes under the Plan.

“Priority Tax Claim” means a Claim or a portion of a Claim, which is entitled to priority under section 507(a)(8) of the Bankruptcy Code.

“Professional” means a Person (a) employed pursuant to a Bankruptcy Court order in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered pursuant to sections 327, 328, 329, 330, 331, and 363 of

the Bankruptcy Code or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

“Professional Fee Claim” means any Claim of (a) a Professional, retained in the Bankruptcy Case, pursuant to sections 327, 363 or 1103 of the Bankruptcy Code and/or members of the Committee, for compensation or reimbursement of costs and expenses relating to services incurred in their capacity as a Member after the Petition Date, but prior to and including the Confirmation Date, when and to the extent any such Claim is Allowed by the Bankruptcy Court pursuant to sections 329, 330, 331, 503(b), or 1103 of the Bankruptcy Code, or (b) a Person seeking compensation and reimbursement pursuant to section 503(b)(4) of the Bankruptcy Code .

“Property” means any personal or real property, interests, rights, claims, Causes of Action and all other possessions or belongings of the WDC Debtor, excluding the WDC Assets sold under the APA to **the Buyer**, but including the WDC Sale Proceeds, however held and wherever located. Property shall include, but not be limited to, Property of the Bankruptcy Estate and Post-Petition Property of the WDC Debtor and may include unknown Property belonging to the WDC as of the Effective Date or thereafter.

“Pro Rata” means to distribute proportionally.

“Purchase Price” has the meaning set forth in the APA.

“Securities Act” means the Securities Act of 1933, as amended and the rules and regulations promulgated thereunder.

“TCTM” means TCTM Financial FS, LLC, the first lien lender to the WDC Debtor.

“**TCTM Collateral**” means all Property of the WDC Debtor securing the obligations of the WDC Debtor to TCTM, including the WDC Sale Proceeds.

“**TCTM Plan Funding**” means the amount which TCTM has agreed to fund under the Plan to pay certain Administrative expenses as set forth in the Plan.

“**Trust Effective Date**” means the last date when all of the following have occurred: (i) the Effective Date of the Plan has occurred; and, under the Plan, (ii)(a) the Plan Carve-Out has been paid and deposited into a Liquidation Trust Account; and (b) the Creditor Note has been duly executed and delivered to the Liquidation Trustee; and (c) the Liquidation Reserve has been fully funded and deposited into a Liquidation Trust Account; and (d) Cash on hand with the WDC Debtor has been paid and deposited into a Liquidation Trust Account; and (e) the Causes of Action have been transferred to the Liquidation Trust; and (iii) this Agreement has been fully executed.

“**Trust Indenture Act**” has the meaning ascribed to the term in this Agreement.

“**Trustee Retention Order**” means the Order of the Bankruptcy Court authorizing the Liquidation Trustee to act as under the confirmed Plan and this Agreement, on terms and conditions deemed reasonable and appropriate by the Court. The Trustee Retention Order need not be a separate order but, the language of same, may be contained in the Plan Confirmation Order provided it contains language authorizing the Liquidation Trustee to serve and act under the Liquidation Trust Agreement.

“**WDC Assets**” means the property of the WDC Debtor sold to the Buyer under the APA.

“**WDC Sale**” means the sale of the WDC Assets on February 26, 2018, pursuant to which the Buyer purchased the WDC Assets, which closed on May 7, 2018 (the “**Closing Date**”).

“**WDC Sale Proceeds**” means the net cash proceeds derived from the WDC Sale and which are being held in trust by the WDC Debtor or on its behalf.

Headings; Interpretation. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect any provisions of this Agreement. Words denoting the singular number shall include the plural number and vice versa, and words denoting one gender shall include the other gender.

Particular Words. Reference in this Agreement to any Section or Article is, unless otherwise specified, to that Section or Article under this Agreement. The words “hereof,” “herein,” “hereunder,” and similar terms shall refer to this entire Agreement and not to any particular Section or Article of this Agreement.

DECLARATION OF TRUST

Establishment of the Liquidation Trust. Pursuant to the Plan, the WDC Debtor hereby establishes the Liquidation Trust on behalf of, and for the benefit of, the Beneficiaries effective as of the Trust Effective Date. The Liquidation Trustee may conduct the affairs of the Liquidation Trust under the name of the “WDC Liquidation Trust.” The purpose of the Liquidation Trust is the liquidation and distribution of the Liquidation Trust Assets in accordance with Treasury Regulation section 301.7701-4(d). The Liquidation Trust shall engage only in activities reasonably necessary to, and consistent with, the liquidating purpose of the trust. Subject to

definitive guidance from the IRS, all parties shall treat the Liquidation Trust as a liquidating trust for all federal income tax purposes.

Transfer of Liquidation Trust Assets. Pursuant to sections 1123(a)(5)(B) and 1123(b)(3)(B) of the Bankruptcy Code and in accordance with the Plan and Confirmation Order, the WDC Debtor hereby grants, releases, assigns, conveys, transfers and delivers, on behalf of the Beneficiaries, all of the WDC Debtor's right, title and interest in the Liquidation Trust Assets to the Liquidation Trust as of the Trust Effective Date, in trust for the benefit of the Beneficiaries, free and clear of any and all Encumbrances, and interests (legal, beneficial, or otherwise) of all other Entities to the maximum extent contemplated by and permissible under the Plan, Confirmation Order and the provisions of the of the Bankruptcy Code for the uses and purposes as specified in this Agreement.

Tax Treatment. It is intended that the Liquidation Trust be classified for federal income tax purposes as a "liquidating trust" within the meaning of Treasury Regulations Section 301.7701-4(d) and as a "grantor trust" within the meaning of Sections 671 through 679 of the Tax Code. In furtherance of this objective, the Liquidation Trustee shall, in his or her business judgment, endeavor in good faith not to unduly prolong the duration of the Liquidation Trust. For all federal income tax purposes, all parties (including the WDC Debtor, the Liquidation Trustee, and the Beneficiaries) shall treat the transfer of the Liquidation Trust Assets allocable to the Beneficiaries as a transfer to such Beneficiaries of their proportionate interests in the Liquidation Trust Assets followed by a transfer by such Beneficiaries of such interests in the Liquidation Trust Assets to the Liquidation Trust in exchange for beneficial interests in the Liquidation Trust. The Beneficiaries under the Liquidation Trust will be treated as the deemed owners of the Liquidation Trust. All such Beneficiaries shall use the valuation of the Liquidation Trust Assets transferred to

the Liquidation Trust as established by the Liquidation Trustee for all federal income tax purposes. The Liquidation Trust will be responsible for filing information on behalf of the Liquidation Trust as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a). The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

Securities Law. It is intended that the Liquidation Trust Interests and the entitlements hereunder, if any, of such Beneficiaries, shall not constitute “securities.” To the extent the Liquidation Trust Interests or any entitlements of the Beneficiaries are deemed to be “securities,” the issuance of the Liquidation Trust Interests or the entitlements of the Beneficiaries hereunder or under the Plan shall be exempt, pursuant to Section 1145 of the Bankruptcy Code or Section 4(a)(2) of the Securities Act, from registration under the Securities Act, and any applicable state and local laws requiring registration of securities. If the Liquidation Trustee determines, with the advice of counsel, that the Liquidation Trust is required to comply with registration and/or reporting requirements of the Securities Act, the Exchange Act, the Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), or the Investment Company Act, then the Liquidation Trustee shall take any and all actions to comply with such registration and reporting requirements, if any, and file reports with the Securities and Exchange Commission to the extent required by applicable law. Notwithstanding the foregoing procedure, nothing herein shall be deemed to preclude the Liquidation Trustee from amending this Agreement to make such changes as are deemed necessary or appropriate by the Liquidation Trustee, with the advice of counsel, to ensure that the Liquidation Trust is not subject to registration and/or reporting requirements of the Securities Act, the Exchange Act, the Trust Indenture Act or the Investment Company Act, except that no amendment to this Agreement may be made which would not be permitted by this Agreement.

Capacity of Liquidation Trust. Notwithstanding any state or federal law to the contrary or anything herein, the Liquidation Trust shall itself have the capacity, in its own right and name, to act or refrain from acting, including the capacity to sue and be sued and to enter into contracts. The Liquidation Trust may alone be the named movant, respondent, party plaintiff or defendant, or the like in all adversary proceedings, contested matters, and other state or federal proceedings brought by or against it, and may settle and compromise all such matters in its own name.

No Rights of WDC Debtor. The WDC Debtor shall not have a claim to, right, or interest in, whether direct, residual, contingent or otherwise, the Liquidation Trust Assets once such assets have been transferred to the Liquidation Trust.

2.7 Safekeeping of Liquidation Trust Assets. All Liquidation Trust Assets shall, until distributed as provided herein, be held in trust for the benefit of the Beneficiaries in accordance with the Plan, Confirmation Order and this Agreement.

THE LIQUIDATION TRUSTEE AND THE ADMINISTRATION OF THE LIQUIDATION TRUST

Appointment. Pursuant to the Plan, Daniel Dooley has been designated to serve as the initial Liquidation Trustee, and, as of the Trust Effective Date, he hereby accepts such appointment and agrees to serve in such capacity. The Liquidation Trustee accepts the Liquidation Trust created by this Agreement and the grant, assignment, transfer, conveyance, and delivery to the Liquidation Trustee, on behalf of, and for the benefit of the Beneficiaries, by the WDC Debtor of all of its rights, title, and interest in the Liquidation Trust Assets, upon and subject to the terms and conditions set forth in this Agreement, the Plan and the Confirmation Order. The Liquidation Trustee shall be deemed to be appointed pursuant to Bankruptcy Code section 1123(b)(3)(B).

Generally. The Liquidation Trustee's powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purpose of the Liquidation Trust. The Liquidation Trustee shall act in the best interests of the Beneficiaries and in furtherance of the purpose of the Liquidation Trust. The Liquidation Trustee shall use commercially reasonable efforts to resolve all Claims and to make timely Distributions to holders of Allowed Trust Claims and to otherwise monetize the Liquidation Trust Assets and not unreasonably prolong the duration of the Liquidation Trust. The Liquidation Trustee shall have authority to bind the Liquidation Trust, and for all purposes of this Agreement, shall be acting as Liquidation Trustee, and not in his or her individual capacity. Subject to the provisions of this Agreement and the terms of the Plan, as of the date that the Liquidation Trust Assets are transferred to the Liquidation Trust, the Liquidation Trustee on behalf of the Liquidation Trust may control and exercise authority over: (i) the Liquidation Trust Assets, (ii) the acquisition, management and disposition of the Liquidation Trust Assets, and (iii) the management and conduct of the affairs of the Liquidation Trust. The Liquidation Trustee shall file (or cause to be filed) any statements, returns, or disclosures relating to the Liquidation Trust that are required by any governmental unit.

Powers. The rights and powers of the Liquidation Trustee on behalf of the Liquidation Trust shall include the following, and any rights and powers reasonably incidental thereto that the Liquidation Trustee, in his or her reasonable discretion, deems necessary or appropriate to fulfill the purpose of the Liquidation Trust, without any further Bankruptcy Court approval. Accordingly, the Liquidation Trustee on behalf of the Trust shall have the standing and the authority to:

collect and liquidate the Liquidation Trust Assets under the jurisdiction of the Bankruptcy Court;

assert, prosecute, object to, pursue, compromise and settle in accordance with the Liquidation Trustee's reasonable business judgment, all matters affecting the Estate and/or the Trust, including, without limitation, Disputed Trust Claims, and/or the Causes of Action related thereto, to the extent set forth in the Agreement and except as provided therein, without further order of the Bankruptcy Court;

assert and enforce all legal or equitable remedies and defenses belonging to the WDC Debtor and its Estate, including, without limitation, setoff, recoupment and any rights under section 502(d) of the Bankruptcy Code;

act on behalf of the WDC Debtor in all adversary proceedings and contested matters then pending or that can be commenced in the Bankruptcy Court and in all actions and proceedings pending or commenced elsewhere, and to settle, retain, enforce, dispute, or adjust any Claim and otherwise pursue actions involving Liquidation Trust Assets and Causes of Action and Property that could arise or be asserted at any time under the Bankruptcy Code or otherwise;

take such actions the Liquidation Trustee deems appropriate in his or her reasonable business judgment against any Person with respect to a Claim and commencing any process or proceeding in the Bankruptcy Court or in any court of competent jurisdiction in accordance with applicable laws, to the extent set forth in this Agreement, the Plan and the Confirmation Order;

make Distributions to holders of all Allowed Trust Claims in accordance with this Agreement, the Plan and the Confirmation Order;

proceed with and employ all discovery devices permitted under applicable law, including Rule 2004 of the Bankruptcy Rules, in order to investigate any Claims or Causes of Action;

employ, without further order of the Bankruptcy Court, professionals or other Persons to assist it in carrying out its duties hereunder, and under this Agreement, and compensate and reimburse the expenses of those professionals and other Persons, on the terms to be agreed to by the Liquidation Trustee and such professionals and other Persons, without further order of the Bankruptcy Court, to the extent set forth in this Agreement, the Plan and the Confirmation Order;

invest cash in accordance with section 345 of the Bankruptcy Code, withdraw and make Distributions of cash to holders of Allowed Trust Claims and paying taxes and other obligations owed by the WDC Debtor or by the Liquidation Trust, in accordance with this Agreement, the Plan, and the Confirmation Order;

coordinate the turnover of Property, if any, subject to rejected executory contracts or abandonment or liquidation of any retained Property and

disposing of, and delivering title to others of, or otherwise realizing value of, all the remaining Property, including without limitation, any Excluded Assets under the APA and Causes of Action;

oversee compliance with the WDC Debtor's accounting, finance, and reporting obligations and the filing of final tax returns, refund requests, audits, and other corporate dissolution documents, if required;

prepare financial statements and U.S. Trustee post-confirmation quarterly reports, until such time a final decree has been entered by the Bankruptcy Court;

pay all other expenses for winding down the affairs of the WDC Debtor in accordance with a wind down budget or as otherwise agreed to by the Liquidation Trustee, and in the event of a dispute that cannot be resolved, resolving such dispute in the Bankruptcy Court, subject to the terms of this Agreement, the Plan, and the Confirmation Order;

execute and deliver all documents, and take all actions, necessary to consummate the Plan, implement this Agreement, and wind down the WDC Debtor's business;

implement and/or enforce all provisions of the Plan; and

such other powers as may be vested in or assumed by the Liquidation Trustee pursuant to this Agreement, the Plan, and the Confirmation Order, or other Bankruptcy Court order, or as may be needed or appropriate to carry out the provisions of the Plan and this Agreement.

Transfer of Privileges. On the Trust Effective Date, the WDC Debtor shall be deemed to transfer to the Liquidation Trustee any applicable privilege of the WDC Debtor and the Estate, including but not limited to any attorney-client privilege or work-product privilege attaching to any documents or communications (whether written or oral) associated with the Liquidation Trust Assets, and all WDC Sale Proceeds, Causes of Action, defenses, claims, counterclaims and rights of setoff or recoupment shall vest in the Liquidation Trust and may be asserted by the Liquidation Trustee. The Liquidation Trustee's receipt of such information shall not waive such privileges and all such privileges are preserved. From and after such transfer, the WDC Debtor and the Estate shall have no further rights or obligations with respect thereto except as provided in the Plan.

Privileged communications may be shared among the Liquidation Trustee, and those attorneys, financial advisors, accountants or other professionals and employees that the Liquidation Trustee retains without compromising the privileged nature of such communications, in accordance with the “joint interest” doctrine.

Limitations.

The Liquidation Trustee shall not be, and is not, authorized to engage in any trade or business with respect to the Liquidation Trust Assets, and shall engage only in activity reasonably necessary to, and consistent with, the liquidation purpose of the Liquidation Trust. All actions taken by the Liquidation Trustee shall be consistent with the expeditious but orderly liquidation of the Liquidation Trust Assets as is required by applicable law and consistent with the treatment of the Liquidation Trust as a liquidation trust under Treasury Regulation Section 301.7701-4(d).

In all circumstances, the Liquidation Trustee shall act in the best interests of all Beneficiaries and in furtherance of the purposes of the Liquidation Trust.

The Liquidation Trustee shall liquidate and convert to cash the Liquidation Trust Assets in an expeditious but orderly manner, make timely Distributions in accordance with the Plan, and not unduly prolong the duration of the Liquidation Trust.

Any investments of the cash portion of the Liquidation Trust Assets by the Liquidation Trustee must be permitted investments for a liquidating trust within the meaning of Treasury Regulation Section 301.7701-4(d), or under applicable Internal Revenue Service guidelines, rulings, or other controlling authorities. Any such permitted investments must be liquid, highly-rated short-term investments of which the length of term shall be consistent with the obligations to pay costs, expenses and other obligations and make distributions under this

Agreement, the Plan, and the Confirmation Order which investments shall consist of: (a) short-term investments issued or guaranteed by the United States or by a department, agency or instrumentality of the United States, (b) other short-term instruments of the highest credit rating available of two nationally recognized rating agencies, or (c) other similar short-term investments. The Liquidation Trustee shall not be liable for interest or obligated to produce income on any monies received by the Liquidation Trust and held for Distribution to the Beneficiaries, except as such interest or other income shall actually be received by the Liquidation Trust.

Notwithstanding anything in this Agreement to the contrary, the Liquidation Trustee will not have the authority to take any action inconsistent with the Agreement, the Plan, or the Confirmation Order.

Valuation of Liquidation Trust Assets. As soon as practicable after the Trust Effective Date, the Liquidation Trustee shall make a good-faith valuation of the Liquidation Trust Assets, and such valuation shall be made available from time to time, to the extent relevant, and shall be used consistently by all parties (including the WDC Debtor, the Liquidation Trustee, and the Beneficiaries) for all federal income tax purposes.

Liquidation Trustee Action. The Liquidation Trustee shall hold, collect, conserve, protect and administer the Liquidation Trust in accordance with the provisions of this Agreement, the Plan, and the Confirmation Order and pay and distribute amounts as set forth herein for the purposes set forth in the Plan, Confirmation Order and this Agreement. Any good faith determination by the Liquidation Trustee as to what actions are in the best interests of the Liquidation Trust shall be determinative. Subject to the terms of this Agreement, without limiting the generality of the previous sentence, the Liquidation Trustee may, but shall not be required to, consult with and retain and pay in the ordinary course of business, attorneys, experts, financial

advisors, accountants, appraisers, and other professionals the Liquidation Trustee believes have qualifications necessary to assist in the administration of the Liquidation Trust, including professionals previously retained by the Committee. For the avoidance of doubt, and without limitation of applicable law, nothing in this Agreement shall limit the Liquidation Trustee from engaging the Liquidation Trustee's firm or its affiliates, to do work for the Liquidation Trust.

Bankruptcy Court Approval of Liquidation Trustee Actions. Except as may be provided in the Plan, Confirmation Order or otherwise specified in this Agreement, the Liquidation Trustee need not (i) obtain an order or approval of the Bankruptcy Court in the exercise of any power, rights, or discretion conferred hereunder, or (ii) account to the Bankruptcy Court. The Liquidation Trustee shall exercise his discretion and judgment for the benefit of the Beneficiaries in order to maximize the value of the Liquidation Trust Assets and Distributions, giving due regard to the cost, risk, and delay of any course of action. Notwithstanding the foregoing in this Section, the Liquidation Trustee may submit to the Bankruptcy Court any matter which the Liquidation Trustee may desire to have explicit approval of the Bankruptcy Court for the taking of any specific action proposed to be taken by the Liquidation Trustee with respect to the Liquidation Trust Assets (including the making of Distributions) or any other aspect of administration of the Liquidation Trust, this Agreement, the Plan, or the Confirmation Order. The Bankruptcy Court shall retain jurisdiction for such purposes to the maximum extent permitted by law and shall approve or disapprove any such proposed action upon a motion or application filed by the Liquidation Trustee. In addition, subject to this Agreement, the Liquidation Trustee shall have the authority, but not the obligation, to seek Bankruptcy Court approval to sell or transfer any Liquidation Trust Asset free and clear of any and all Encumbrances and interests.

Liquidation Trustee as the Representative of the Estate. The Liquidation Trustee is automatically, and without need for further notice or approval of the Bankruptcy Court or the WDC Debtor, designated and deemed the representative of the Estate pursuant to section 1123(b)(3)(B) of the Bankruptcy Code to, subject to the terms of this Agreement, the Plan and Confirmation Order, investigate, enforce, pursue, sell, compromise, settle, release, withdraw, dismiss, or abandon any Liquidation Trust Assets transferred to the Liquidation Trust in accordance with the terms of this Agreement, the Plan, and the Confirmation Order. Subject to the terms of the Plan, Confirmation Order, and this Agreement, the Liquidation Trust shall also be entitled to assert all of the Debtor's Estate's rights under section 558 of the Bankruptcy Code.

Claims Resolution. The Liquidation Trust and the Liquidation Trustee shall be responsible for all aspects of the Claims reconciliation process. The Liquidation Trustee shall be entitled to conclusively rely on information from the WDC Debtor and/or Committee about the status and determination of any Claim, including which Claims are Disputed Trust Claims, which Claims are Allowed Trust Claims, and the allowed amounts of the Allowed Trust Claims. In addition, the Liquidation Trustee may rely upon the claims register provided by the WDC Debtor and/or Committee. The Liquidation Trustee shall be authorized to object to Disputed Trust Claims.

Other Activities. Any individual serving as the Liquidation Trustee, other than in his individual capacity as such, shall be entitled to perform services for and be employed by third parties; *provided, however,* that such performance or employment affords such individual sufficient time to carry out his responsibilities as the Liquidation Trustee. In addition, the Liquidation Trustee shall not be prohibited from engaging in any trade or business on its own account, provided that such activity does not interfere or conflict with the Liquidation Trustee's administration of the Liquidation Trust.

Liability of Liquidation Trustee and His Agents. Except as otherwise specifically provided herein, neither the Liquidation Trustee, nor his or her employees, professionals, agents, or representatives of the Liquidation Trust (all of the foregoing, the “**Covered Persons**”), shall be held personally liable for any claim asserted against any of them or the Liquidation Trust. Without limiting the generality of the foregoing, none of the Covered Persons shall be liable with respect to any action taken or omitted to be taken in furtherance of their responsibilities hereunder, except to the extent that their conduct is determined by a Final Order to be due to their own fraud, gross negligence, or willful misconduct. All Entities dealing with the Liquidation Trustee shall look only to the Liquidation Trust Assets (or to any insurance that may cover such claim) to satisfy any liability incurred by the Liquidation Trustee in carrying out the terms of this Agreement, and, none of the Covered Persons shall have any personal obligation to satisfy any such liability except to the extent that their conduct is determined by a Final Order to be due to their own fraud, gross negligence, or willful misconduct. Nothing contained in this Agreement, the Plan or the Confirmation Order shall be deemed to be an assumption by the Liquidation Trustee or Liquidation Trust of any of the liabilities, obligations or duties of the WDC Debtor or the Beneficiaries and shall not be deemed to be or contain a covenant or agreement by the Liquidation Trustee or Liquidation Trust to assume or accept any such liability, obligation or duty.

Exculpation; Indemnification. The Covered Persons shall not be liable for actions taken or omitted in their capacity as, or on behalf of, the Liquidation Trustee, except those acts arising out of their own fraud, gross negligence or willful misconduct, and each shall be entitled to indemnification and reimbursement for fees and expenses in defending any and all of their actions or inactions in their capacity as, or on behalf of, the Liquidation Trustee, except for any actions or inactions involving fraud, gross negligence, or willful misconduct. Any indemnification claim of

a Covered Person shall be satisfied solely from the Liquidation Trust Assets, any applicable insurance coverage, and the proceeds thereof.

Reliance by Liquidation Trustee. The Liquidation Trustee may absolutely and unconditionally rely, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by the Liquidation Trustee in good faith to be genuine and to have been signed or presented by the proper party or parties, including, but not limited to the WDC Debtor, Committee and Creditors. The Liquidation Trustee may consult with legal counsel, financial or accounting advisors, and other professionals to be selected by the Liquidation Trustee and may rely, in good faith, on the advice thereof, and shall not be liable for any action taken or omitted to be taken in accordance with the advice thereof.

Compensation of the Liquidation Trustee and Others.

(a) The Liquidation Trustee shall be entitled to receive reimbursement for reasonable professional fees, costs and expenses incurred by him and his staff at a blended hourly rate of \$450.00 plus 3% of gross Distributions to General Unsecured Creditors on recoveries from Causes of Action and other recoveries excluding distributions on the Creditor Note. No percentage shall be paid to the Liquidation Trustee on distributions on the Creditor Note and on Allowed Administrative Claims, Secured Claims or Priority Claims. The “blended hourly rate” shall be based on the hourly rates charged by Morris Anderson at the time of the Effective Date and shall not increase during the term of the Liquidation Trust. Any successor to the Liquidation Trustee shall also be entitled to reasonable compensation in connection with the performance of his or her duties. All such fees, costs and expenses are payable solely from Liquidation Trust Assets. The Liquidation Trustee may pay his compensation and other costs and expenses of the Liquidation

Trust before making any Distributions to the Beneficiaries. Prior to payment of costs, fees and expenses to the Liquidation Trustee, he shall provide to the Post Confirmation Oversight Committee a monthly or quarterly billing statement setting forth (with appropriate detail attached) the time spent in increments and by task and expenses and costs incurred in the prior month or quarter as applicable. If the Post Confirmation Oversight Committee does not object to such billing within fifteen (15) days of presentment, the Liquidation Trustee shall pay same without further notice or proceeding. If an objection to payment of such billing cannot be resolved, it shall be submitted to the Bankruptcy Court for resolution.

(b) Each professional retained by the Liquidation Trustee shall provide a written billing statement (with appropriate detail attached) to the Liquidation Trustee and Post Confirmation Oversight Committee, outlining the basis for the calculation of the fees and expenses sought to be paid. The Liquidation Trustee and/or Post Confirmation Oversight Committee shall have fifteen (15) Business Days from the receipt of the billing statement to provide the respective professional with a written objection to the requested fees and/or expenses. In the event no objections are timely raised, the Liquidation Trustee may pay the fees or expenses, or that portion of the fees and expenses, which is not subject to an objection. In the event that a dispute arises regarding payment of any such compensation or expense reimbursement, such dispute shall be referred to the Bankruptcy Court for resolution.

No Bond. The Liquidation Trustee shall not be required to post any bond, surety or other security for the performance of his or her duties unless otherwise ordered by the Bankruptcy Court and, in the event the Liquidation Trustee is so otherwise ordered, all reasonable costs and expenses of procuring any such bond or surety shall be borne by the Liquidation Trust and paid for from the Liquidation Trust Assets.

Conflicts of Interest. The Liquidation Trustee will appoint a disinterested Person to handle any matter where the Liquidation Trustee has identified a conflict of interest, or the Bankruptcy Court, on motion of a party in interest, determines one exists. In the event the Liquidation Trustee is unwilling or unable to appoint a disinterested Person to handle any such matter, the Bankruptcy Court, upon the request of a party in interest, and after a notice and hearing, may do so.

Term of Service. The duties, responsibilities and powers of the Liquidation Trustee shall terminate on the date the Liquidation Trust is dissolved pursuant to this Agreement, under applicable law, by an Order of the Bankruptcy Court, or the effective date of the resignation or removal of the Liquidation Trustee, *provided, that* sections 3.12 to 3.15 above shall survive such termination and dissolution.

Resignation. The Liquidation Trustee may resign at any time by giving the Bankruptcy Court and the Beneficiaries at least 30 days' written notice of the Liquidation Trustee's intention to do so. In the event of a resignation, the resigning Liquidation Trustee shall render to the Beneficiaries a full and complete accounting of monies and assets received, disbursed, and held during the term of office of that Liquidation Trustee. The resignation shall be effective on the later of (a) the date specified in the notice; (b) the date that is 30 days after the date the notice is delivered; or (c) the date the accounting described in the preceding sentence is delivered.

Removal. Any Person serving as Liquidation Trustee may be removed at any time upon the determination of the Bankruptcy Court on a motion for cause shown by any party in interest. Any Liquidation Trustee so removed is entitled to payment of reasonable fees and necessary expenses accrued prior to removal, subject to the terms of this Agreement and the Trustee Retention Order.

Appointment of Successor Liquidation Trustee. Upon the resignation, death, incapacity, or removal of a Liquidation Trustee, the Bankruptcy Court shall appoint a replacement trustee based upon submissions from interested parties (including the Liquidation Trustee or any Beneficiary). Any successor Liquidation Trustee so appointed shall consent to and accept in writing the terms of this Agreement and the Liquidation Trustee Proposal and agree that the provisions of this Agreement shall be binding upon and inure to the benefit of the successor Liquidation Trustee and all of the successor Liquidation Trustee's heirs and legal and personal representatives, successors or assigns.

Liquidation Trust Continuance. The death, incapacity, resignation, removal of the Liquidation Trustee, or closure of the Bankruptcy Case, shall not terminate the Liquidation Trust or revoke any existing agency created pursuant to this Agreement or invalidate any action theretofore taken by the Liquidation Trustee.

Confidentiality. Any Liquidation Trustee shall, during the period that it serves as Liquidation Trustee, after removal or resignation, and after dissolution of the Liquidation Trust, hold strictly confidential and not use for personal gain, any material, non-public information in such Liquidation Trustee's possession related to his or her role as Liquidation Trustee, including, but not limited to, information related to the Liquidation Trust, Liquidation Trust Assets (including the Causes of Action).

BENEFICIARIES

Identification of Beneficiaries. On the Effective Date, the WDC Debtor or Committee shall provide the Liquidation Trustee with a true and correct copy of the claims register maintained in the Chapter 11 Case or other document setting forth the names, addresses, any tax identification

numbers and claim amounts, and noting whether any such Claims are Disputed Trust Claims and whether any Disputed Trust Claims became Allowed Trust Claims and if so the allowed amount of such Allowed Trust Claims. Neither the WDC Debtor, the Committee, Liquidation Trust nor the Liquidation Trustee shall incur any liability in connection with the determination of the interests of the Beneficiaries in the Liquidation Trust and the size of the Liquidation Trust. The Liquidation Trust and the Liquidation Trustee shall have the absolute and unconditional right to rely on the information provided by the WDC Debtor, Committee and Creditors, as applicable, for purposes of notices and distributions under this Agreement, and neither the Liquidation Trust nor the Liquidation Trustee shall incur any liability by relying on the information it receives under this section. Each Beneficiary shall furnish, in writing, its name, address, tax identification number, and completed IRS Form W-9 or, if applicable, IRS Form W-8, to the Liquidation Trustee within thirty (30) days of a written request from the Liquidation Trustee. As provided in the Plan, the failure to comply with the preceding sentence shall result in the Beneficiary forfeiting their Liquidation Trust Interest and rights to any Distribution, and any such forfeited amounts shall be distributed to the remaining Beneficiaries in accordance with this Agreement, the Plan, and the Confirmation Order.

Rights of Beneficiaries. Each Beneficiary shall take and hold its beneficial interest in the Liquidation Trust subject to all of the terms and provisions of this Agreement, the Plan and the Confirmation Order. A Beneficiary shall have no title or right to, or possession, management, or control of, the Liquidation Trust Assets except as may be expressly provided herein. The interest of a Beneficiary in the Liquidation Trust is in all respects personal property, and the death, insolvency, or incapacity of an individual Beneficiary shall not terminate or effect the validity of this Agreement. No surviving spouse, heir, or devisee of any deceased Beneficiary shall have any

right of dower, homestead, inheritance, partition, or any other right, statutory or otherwise, in the Liquidation Trust Assets, and their sole interest shall be the rights and benefits given to the Beneficiaries under this Agreement, the Plan and the Confirmation Order.

Limit on Transfers. The interests of the Beneficiaries in the Liquidation Trust shall be uncertificated, and shall be reflected only on the books and records of the Liquidation Trust maintained by the Liquidation Trustee. Such interests are not negotiable and not transferable except (a) pursuant to applicable laws of descent and distribution (in the case of a deceased individual Beneficiary), or (b) by operation of law. The Liquidation Trustee shall not be required to record any transfer which, in the Liquidation Trustee's sole discretion, may be construed to create any uncertainty or ambiguity as to the identity of the holder of the interest in the Liquidation Trust. Until a transfer is, in fact, recorded on the books and records maintained by the Liquidation Trustee for the purpose of identifying Beneficiaries, the Liquidation Trustee, whether or not in receipt of documents of transfer or other documents relating to the transfer, may nevertheless make distributions and send communications as though he or she has no notice of any such transfer, and in so doing the Liquidation Trustee shall be fully protected and incur no liability to any purported transferee or any other Entity.

Conflicting Claims. If any conflicting claims or demands are made or asserted with respect to an Allowed Trust Claim or Disputed Trust Claim of a Beneficiary, the Liquidation Trustee shall be entitled, in his or her sole election, to refuse to comply with any such conflicting claims or demands. In so refusing, the Liquidation Trustee shall (i) make no payment or Distribution with respect to the Allowed Trust Claim or Disputed Trust Claim represented by the conflicting claims or demands involved, or any part thereof, and (ii) refer such conflicting claims and demands to the Bankruptcy Court, which shall have exclusive jurisdiction over the resolution of such conflicting

claims or demands. In so doing, the Liquidation Trustee shall not be liable to any party for his or her refusal to comply with any such conflicting claims or demand. The Liquidation Trustee shall be entitled to refuse to comply with conflicting claims and demands until either (a) the rights of the adverse claimants have become adjudicated by a Final Order of the Bankruptcy Court, or (b) the conflict has been resolved by a written agreement among such parties and the Liquidation Trustee, which agreement shall include a complete release of the Liquidation Trust and the Liquidation Trustee with respect to the subject matter of the dispute.

THIRD PARTY RIGHTS AND LIMITATION OF LIABILITY

Parties Dealing With the Liquidation Trustee. In the absence of actual knowledge to the contrary, any Person dealing with the Liquidation Trust or the Liquidation Trustee shall be entitled to rely on the authority of the Liquidation Trustee or any of the Liquidation Trustee's agents to act in connection with the Liquidation Trust Assets. There shall be no obligation on any Person dealing with the Liquidation Trustee to inquire into the validity, expediency or propriety of any transaction by or with the Liquidation Trustee or any agent of the Liquidation Trustee.

Limited Recourse. Persons (including any professionals retained by the Liquidation Trustee in accordance with this Agreement) engaged in transactions with the Liquidation Trust or the Liquidation Trustee, shall look only to the Liquidation Trust Assets to satisfy any liability incurred in connection with carrying out the terms of this Agreement.

Non-Liability for Acts of Others. The Liquidation Trustee may, in connection with the performance of his or her functions, and in his or her sole and absolute discretion, consult with his or her attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in good faith reliance upon the advice or opinions

rendered by such persons, regardless of whether such advice or opinions are provided in writing. Notwithstanding such authority, the Liquidation Trustee shall not be under any obligation to consult with attorneys, accountants, financial advisors or agents, and their determination not to do so shall not result in the imposition of liability on the Liquidation Trustee or his or her agents, unless such determination is based on fraud, willful misconduct, or gross negligence. Nothing contained in this Agreement, the Plan, or the Confirmation Order shall be deemed to be an assumption by the Liquidation Trustee of any of the liabilities, obligations, or duties of the WDC Debtor or Beneficiaries or a covenant or agreement by the Liquidation Trustee to assume or accept any such liability, obligation or duty. Any successor Liquidation Trustee may accept and rely upon any accounting made by or on behalf of any predecessor Liquidation Trustee hereunder, and any statement or representation made by a predecessor Liquidation Trustee or its agents as to the Liquidation Trust Assets or as to any other fact bearing upon the prior administration of the Liquidation Trust, so long as it has a good faith basis to do so. A successor Liquidation Trustee shall not be liable for having accepted and relied in good faith upon any such accounting, statement, or representation if it is later proved to be incomplete, inaccurate, or untrue. A successor Liquidation Trustee shall not be liable for any act or omission of any predecessor Liquidation Trustee, nor have a duty to enforce any claims against any predecessor Liquidation Trustee on account of any such act or omission.

Confirmation of Survival of Provisions. Without limitation in any way of any provision of this Agreement, the provisions of this Article V shall survive the death, dissolution, liquidation, resignation, replacement, or removal, as may be applicable, of the Liquidation Trustee, or the termination of the Liquidation Trust or this Agreement, and shall inure to the benefit of the Liquidation Trustee's respective heirs, successors, and assigns.

DISTRIBUTIONS

Location for Distributions; Notice of Change of Address. Distributions to the Beneficiaries shall be made by the Liquidation Trustee to the Beneficiaries (a) at the addresses set forth on the claims register maintained in the Chapter 11 Case or other similar document and delivered to the Liquidation Trustee in accordance with Section 4.1 of this Agreement, or (b) at the addresses set forth in any written notices of address changes delivered to the Liquidation Trustee after the Trust Effective Date. The Liquidation Trustee is not obligated to make any effort to determine the correct address of any Beneficiary.

Distribution to Holders of Administrative Claims, Priority Tax Claims and Secured Claims. Distributions to holders of Allowed Administrative Claims, Priority Tax Claims and Secured Claims that have not been or were not required to be paid on or before the Trust Effective Date, shall be paid by the Liquidation Trustee in accordance with the terms of the Plan. All U.S. Trustee fees due and owing under 28 U.S.C. § 1930(a)(6) shall continue to accrue and be paid by the Liquidation Trustee until the Chapter 11 Case is closed, dismissed or converted. For the avoidance of doubt, Allowed Professional Fee Claims shall be paid in accordance with the Plan, the Confirmation Order, and any orders of the Bankruptcy Court with respect to final allowance of such Professional Fee Claims.

Timing of Distributions to General Unsecured Creditors. The Liquidation Trustee shall make a determination, at least semi-annually, as to whether there is sufficient Available Cash in the Liquidation Trust to make Distributions as provided for in the Plan on Allowed Trust Claims. If the Liquidation Trustee determines there is insufficient Available Cash under the Plan to make such Distributions, then the Liquidation Trustee shall make Distributions if possible based on

Available Cash under the Plan to Beneficiaries holding Allowed Trust Claims on a pro rata basis, but shall at all times be entitled to retain in the Liquidation Trust Account(s) amounts that are reasonably necessary to satisfy current and estimated future expenses and liabilities of the Liquidation Trust (including, but not limited to, any sums needed for funding the Liquidation Reserve for payment of current or anticipated professional fees, costs and expenses of the Liquidation Trust); and for payment of taxes, and the Disputed Claims Reserve. Each Distribution by the Liquidation Trustee shall be consistent with the terms set forth in this Agreement, the Plan, and Confirmation Order. The Liquidation Trust must fund the Liquidation Reserve at all times in an amount he deems reasonably necessary for payment of all costs, fees and expenses, both incurred and anticipated, of the Liquidation Trust before making Distributions.

Distributions on the Creditor Note. The Liquidation Trustee shall make Distributions to General Unsecured Creditors under Class 9 of the Plan, on a semi-annual basis, from payments received on the Creditor Note as provided in the Plan. The Liquidation Trustee shall not make distributions on the Creditor Note to anyone other than those Holders of Allowed General Unsecured Claims in Class 9 or Holders of Allowed Claims deemed to be in Class 9 under the Plan and the Liquidation Reserve shall not be funded by the proceeds of the Creditor Note. The Creditor Note proceeds shall be used by the Liquidation Trustee exclusively for the payment of Allowed Class 9 Claims under the Plan or Allowed Claims deemed to be in Class 9 under the Plan.

Administration of Disbursements.

Manner of Payment. At the option of the Liquidation Trustee, any cash payment to be made hereunder may be made by a check, wire transfer, or other method of payment.

No Interest on Claims. Interest shall not accrue on the Beneficiaries' Allowed Trust Claims or Disputed Trust Claims.

Allocation of Plan Distributions between Principal and Interest. To the extent that any Allowed Trust Claim entitled to a Distribution hereunder consists of indebtedness and other amounts (such as accrued, but unpaid interest thereon), such Distribution shall be allocated first to the principal amount of such Claim (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of such Allowed Trust Claim, to such other amounts.

Fractional Dollars; De Minimis Distributions to Allowed General Unsecured Claims. Subject to this Agreement, the Liquidation Trustee shall (i) not be required to make Distributions to holders of Allowed General Unsecured Claims for payments of fractions of dollars, and whenever any Distribution of a fraction of a dollar would otherwise be required, the actual Distribution made may reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars being rounded down and (ii) have no duty to make a Distribution on account of any Allowed General Unsecured Claim on a Distribution Date (x) if the aggregate amount of all Distributions authorized to be made on such date is less than \$100,000, in which case such Distributions to Allowed General Unsecured Claims shall be deferred to the next Distribution Date, (y) if the amount to be distributed on account of an Allowed General Unsecured Claim on the particular Distribution Date is less than \$100.00, in which case such Distributions to Allowed General Unsecured Claims shall be deferred to the next Distribution Date, unless such Distribution constitutes the final Distribution to be made to the holder of such Allowed General Unsecured Claims, or (iii) the amount of the final Distribution on account of an Allowed General Unsecured Claim is less than \$50.00, in which case such Distribution shall revert to the Liquidation Trust to be reallocated and distributed to holders of Allowed General Unsecured Claims.

Compliance with Laws. Any and all Distributions hereunder shall be made in compliance with applicable laws, including but not limited to, applicable federal and state securities laws.

Abandonment. Subject to this Agreement, the Liquidation Trustee may abandon, in any commercially reasonable manner (including abandonment or donation to a charitable organization of his or her choice), any property that the Liquidation Trustee reasonably concludes is of no benefit to the Beneficiaries. For the avoidance of doubt, no notice to, or approval from the Bankruptcy Court shall be required for any such abandonment.

Distribution Agents. The Liquidation Trustee shall act as disbursing agent under the Plan and shall be entitled to reasonable compensation of his time (and his professionals' time) and his expenses incurred in acting as such.

Compliance with Tax Requirements. The Liquidation Trustee shall be authorized to require each Beneficiary to provide it with a current executed IRS Form W-9, Form W-8, or similar tax form as a condition precedent to being sent a Distribution. The Liquidation Trustee shall provide advance written notice of any such requirement to each Beneficiary affected thereby. The notice shall provide each Beneficiary with a minimum of 45 days after the date of mailing of such notice to provide a current executed Form W-9, Form W-8 or similar tax form to the Liquidation Trustee and shall expressly state that a failure to provide such form within the stated period shall result in a forfeiture of the right to receive any Distribution from the Liquidation Trust or the proceeds of the Liquidation Trust Assets, that any such Distribution shall revert to the Liquidation Trust for distribution on account of other Allowed Trust Claims and that the Allowed Trust Claim of the Beneficiary originally entitled to such Distribution shall be waived, discharged, cancelled, and forever barred without further order of the Bankruptcy Court. If a Beneficiary does

not provide the Liquidation Trustee with a current executed Form W-9, Form W-8 or similar tax form within the time period specified in such notice, or such later time period agreed to by the Liquidation Trustee in writing in his or her discretion, such Beneficiary shall be deemed to have forfeited the right to receive any Distribution on account of its Allowed Trust Claim under the Plan, any such Distribution shall revert to the Trust for Distribution on account of other Allowed Trust Claims of Beneficiaries and the Allowed Trust Claim of the Beneficiary originally entitled to such Distribution shall be waived, discharged and forever barred without further order of the Bankruptcy Court.

Distributions After Allowance or Disallowance of a Disputed Trust Claim. As soon as reasonably practicable after a Disputed Trust Claim becomes an Allowed Trust Claim, the Liquidation Trustee shall distribute to the holder thereof, from the Disputed Claims Reserve, such amount as would have been distributed to such Holder if its Disputed Trust Claim had been an Allowed Trust Claim on the Effective Date. Subject to this Agreement, if any Disputed Trust Claim is disallowed, the Liquidation Trustee shall no longer reserve for a Disputed Trust Claim and shall distribute to the Beneficiaries on the next Distribution Date, pursuant to this Agreement, the Plan and the Confirmation Order, the portion of the funds held in the Disputed Claim reserve that is required pursuant to the terms of this Agreement, the Plan and the Confirmation Order. If such Disputed Trust Claim becomes an Allowed Trust Claim, any Distribution made shall, in accordance with the Plan, only be made to the extent of the pro rata Distribution made to Holders of Allowed Trust Claims in that Class under the Plan.

Undeliverable Distributions and Unclaimed Property. In the event that any Distribution of Cash to any Beneficiary is returned as undeliverable, no further Distribution to such Beneficiary shall be made unless and until the Liquidation Trustee or his/her disbursing agent

is notified in writing of such Beneficiary's then current address, at which time such Distribution shall be made to such Beneficiary without interest; *provided, however*, that unless a Beneficiary asserts a claim for an undeliverable Distribution within forty-five (45) days after such Distribution is returned as undeliverable, such Distribution shall be deemed unclaimed property within the meaning of section 347(b) of the Bankruptcy Code and all title to and beneficial interest in the Liquidation Trust Assets represented by any such undeliverable Distributions shall be cancelled and revert to and/or remain in the Liquidation Trust automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial or state escheat, abandoned or unclaimed property laws to the contrary), and such undeliverable Distributions shall be distributed to the Beneficiaries on account of their Allowed Trust Claims in accordance with this Agreement, the Plan and Confirmation Order. In the event any check sent to a Beneficiary respecting a Distribution to such Beneficiary has not been cashed within one hundred twenty (120) days of the date of the respective Distribution, such check shall be cancelled and no additional Distribution shall be made to such Beneficiary, and such Distribution shall be deemed unclaimed property within the meaning of section 347(b) of the Bankruptcy Code, and the Claim of any such Beneficiary that may have been entitled to such Distribution shall be discharged and forever barred from receiving Distributions under this Agreement. After such date, all uncashed Distributions shall become Liquidation Trust property and revert to the Liquidation Trust, and shall be redistributed in accordance with this Agreement, the Plan and the Confirmation Order to the Beneficiaries. The Liquidation Trustee may, in its sole discretion, attempt to determine a Beneficiary's current address or otherwise locate a Beneficiary, but nothing in this Agreement or the Plan shall require the Liquidation Trustee to do so.

Insurance. The Liquidation Trustee may, in the Liquidation Trustee's reasonable business judgment, obtain and maintain customary insurance coverage, if available, for the protection of the Liquidation Trust Assets. The Liquidation Trustee may, but shall not be required to, obtain insurance coverage with respect to the liabilities and obligations of the Liquidation Trustee under this Agreement (in the form of an errors and omissions policy or otherwise).

REPORTING AND TAX MATTERS

Reporting and Filing Requirements. Within sixty (60) days after December 31 of each calendar year in which the Trust shall remain in existence, the Liquidation Trustee shall prepare a list of: (i) the costs and expenses of the Liquidation Trust that are incurred (including, but not limited to, any taxes imposed on the Liquidation Trust or actual reasonable out-of-pocket fees and expenses incurred by professionals retained by the Liquidation Trust) during the preceding calendar year and incurred since the Trust Effective Date, (ii) the amount of Cash and other assets received by the Liquidation Trust during the prior calendar year and since the Trust Effective Date, (iii) total distributions of Cash and other assets made during the preceding calendar year and since the Trust Effective Date (and to whom such Distributions of Cash were made); (iv) all income received by the Liquidation Trust during the preceding calendar year and since the Trust Effective Date, (v) the status of all Causes of Action, including any settlements entered into by the Liquidation Trust, and (vi) such other information as the Liquidation Trustee deems appropriate. The Trustee's report shall be available to any Beneficiary upon written request to the Trustee. The Liquidation Trustee shall also timely prepare, file and distribute such additional statements, reports and submissions as may be necessary to cause the Liquidation Trust and the Liquidation Trustee to be in compliance with applicable law.

Filing of Tax Returns. The Liquidation Trustee shall file tax returns for the Liquidation Trust as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a) and any other applicable laws or regulations, and all the Liquidation Trust's income shall be treated as subject to tax on a current basis.

Preparation of Statements. To the extent reasonably practicable and unless otherwise ordered by the Bankruptcy Court, the Liquidation Trustee shall, in conjunction with filing the Liquidation Trust's annual tax return for each calendar year in which the Liquidation Trust shall remain in existence, send to each Beneficiary a grantor statement setting forth the Beneficiary's share of items of income, gain, loss, deduction, or credit and will instruct all such holders to report such items on their federal income tax returns. The Liquidation Trust's taxable income, gain, loss, deduction, or credit will be allocated (subject to provisions of the Plan and Confirmation Order relating to Disputed Trust Claims) to the Beneficiaries in accordance with their relative beneficial interests in the Liquidation Trust, as determined pursuant to this Agreement, the Plan and the Confirmation Order.

Allocations of Liquidation Trust Taxable Income. Allocations of the Liquidation Trust's taxable income among the Beneficiaries shall be determined by reference to the manner in which an amount of cash equal to such taxable income would be distributed (without regard to any restrictions on distributions described herein) if, immediately prior to such deemed distribution, the Liquidation Trust had distributed all its assets (valued at their tax book value) to the Beneficiaries of the Liquidation Trust (treating all Disputed Trust Claims as if they were Allowed Trust Claims), in each case up to the tax book value of the assets treated as contributed by such holders, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Liquidation Trust. Taxable loss of the Liquidation Trust shall be allocated

by reference to the manner in which an economic loss would be borne immediately after a liquidating distribution of the remaining Liquidation Trust Assets. The tax book value of the Liquidation Trust Assets for this purpose shall equal their fair market value on the Trust Effective Date, adjusted in accordance with tax accounting principles prescribed by the tax code, the applicable tax regulations, and other applicable administrative and judicial authorities and pronouncements.

DISSOLUTION OF TRUST

Dissolution of Liquidation Trust. The Liquidation Trust shall be dissolved, in accordance with Section 8.2 hereof, no later than the fifth anniversary of the Trust Effective Date, unless the Bankruptcy Court, upon motion filed by the Liquidation Trustee or any party in interest prior to the fifth anniversary (or the end of any extension period), determines that a fixed period extension is necessary to facilitate or complete the recovery and liquidation of the Liquidation Trust Assets. Any such extension shall not exceed three years, together with any prior extensions, without a favorable letter ruling from the Internal Revenue Service that any such extension would not adversely affect the status of the Liquidation Trust as a liquidating trust for federal income tax purposes, such ruling only needing to be sought and forthcoming at the time of any such extension.

Dissolution Events. The Liquidation Trustee shall be discharged and the Liquidation Trust shall be dissolved at such time as (i) the Liquidation Trustee determines that the administration of the Liquidation Trust is not likely to yield sufficient additional proceeds to justify further pursuit of any remaining Causes of Action, and (ii) all Distributions required to be made by the Liquidation Trustee under this Agreement, the Plan, and the Confirmation Order have been made. If at any time the Liquidation Trustee determines in reliance upon such professionals as the Liquidation

Trustee may retain, that the expense of administering the Liquidation Trust is likely to exceed the value of the assets remaining in the Liquidation Trust, the Liquidation Trustee may apply to the Bankruptcy Court for authority to (i) reserve any amounts necessary to dissolve the Liquidation Trust, (ii) donate any balance to a charitable organization exempt from federal income tax under Section 501(c)(3) of the Tax Code, and (iii) dissolve the Liquidation Trust.

Books and Records. The Liquidation Trustee shall maintain books and records containing a description of all property from time to time constituting the Liquidation Trust Assets and an accounting of all receipts and disbursements. Said books and records shall be open to inspection by any Beneficiary at any reasonable time during normal business hours and after reasonable advance notice. All books and records, including copies, received from the WDC Debtor may be disposed of by the Liquidation Trustee at the later of (i) such time as the Liquidation Trustee determines that the continued possession or maintenance of such books and records is no longer necessary for the benefit of the Liquidation Trust or its Beneficiaries, and (ii) upon the dissolution and completion of the winding down of the Liquidation Trust.

Post-Dissolution. If the Liquidation Trust's books, records and files have not already been disposed of, upon dissolution of the Liquidation Trust and Distribution of all the Liquidation Trust Assets, the Liquidation Trustee shall retain the books, records and files that shall have been created by the Liquidation Trustee, provided that at the Liquidation Trustee's discretion, all of such records and documents may be destroyed at any time following the date of final distribution of Liquidation Trust Assets as the Liquidation Trustee deems appropriate (unless such records and documents are necessary to fulfill the Trustee's obligations pursuant to this Agreement, the Plan or Confirmation Order), without further order of the Bankruptcy Court.

AMENDMENT AND WAIVER

Amendment; Waiver. The Liquidation Trustee may amend, supplement, or waive any provision of this Agreement, without notice to or the consent of any Beneficiary or the approval of the Bankruptcy Court, in order to: (i) cure any ambiguity, omission, defect, or inconsistency in this Agreement; *provided, however,* that such amendments, supplements or waivers shall not be inconsistent with the terms of the Plan or the Confirmation Order or adversely affect the Distributions to any of the Beneficiaries or adversely affect the federal income tax status of the Liquidation Trust as a “Liquidation trust”; (ii) comply with any requirements in connection with the federal income tax status of the Liquidation Trust as a “liquidation trust”; and (iii) comply with any requirements to ensure that the Liquidation Trust is not subject to registration or reporting requirements of the Securities Act, the Exchange Act, the Trust Indenture Act, or the Investment Company Act. Any substantive provision of this Agreement may be amended or waived by the Liquidation Trustee with the approval of the Bankruptcy Court (upon notice and an opportunity for a hearing); *provided, however,* that no change may be made to this Agreement that would (a) adversely affect the federal income tax status of the Liquidation Trust as a “liquidating trust” or (b) expand, add to, or modify the Plan, the Confirmation Order, or original stated purpose of the Liquidation Trust (as described in the Plan, Confirmation Order and this Agreement).

Notwithstanding this Section 9.1, any amendments to this Agreement shall not be inconsistent with the purpose and intention of the Liquidation Trust to liquidate in an expeditious but orderly manner the Liquidation Trust Assets in accordance with Treasury Regulation Section 301.7701- 4(d).

MISCELLANEOUS

Jurisdiction. The Bankruptcy Court shall have exclusive jurisdiction over (a) the Liquidation Trust and the Liquidation Trustee with respect to the administration of and activities relating to the Liquidation Trust and (b) any issues or disputes arising out of this Agreement; *provided, however,* that notwithstanding the foregoing, the Liquidation Trustee shall have the power and authority to commence and prosecute, in any court of competent jurisdiction, any Causes of Action and other claims or rights transferred to the Liquidation Trust and to the extent it is determined that the Bankruptcy Court does not have jurisdiction over a particular proceeding or matter, such proceeding or matter may be adjudicated in any court of competent jurisdiction.

Notices. Any notice or other communication hereunder shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if deposited, postage prepaid, in a post office or letter box, or transmitted by email, telex, facsimile, other telegraphic means, or sent by a nationally recognized overnight delivery service, addressed to the person for whom such notice is intended at such address as set forth below or such other address as may be provided to the other parties in writing. The date of receipt of such notice shall be the earliest of (a) the date of actual receipt by the receiving party, (b) the date of personal delivery (or refusal upon presentation for delivery), (c) on the date of the transmission confirmation, or (d) three business days after service by first class mail.

If to the Liquidation Trust/ Liquidation Trustee:

Daniel Dooley
MorrisAnderson
55 West Monroe St.
Suite 2350
Chicago, IL 60603
Ph: (312) 254-0888
ddooley@morrisonanderson.com

With a copy to:

Stephen M. Packman
Archer & Greiner, P.C.
Three Logan Square, Suite 3500
1717 Arch Street
Philadelphia, PA 19103
Ph: (215) 246-3147
spackman@archerlaw.com

Notices if to a Beneficiary. Subject to any transfer recognized and recorded by the Liquidation Trustee as set forth herein, any notice or other communication hereunder shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if deposited, postage prepaid, in a post office or letter box addressed to the person for whom such notice is intended to the name and address set forth in the case of a Beneficiary, on such Beneficiary's proof of claim (but in the event the Claim of such Beneficiary was validly transferred prior to the Distribution Date, to the name and address set forth in the applicable transfer notice), or if no proof of claim is filed, the address listed on the Schedules or as listed in any other notice filed with the Bankruptcy Court.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Iowa, without giving effect to the rules governing the conflict of law which would require the application of the law of another jurisdiction.

Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

No Execution. All funds in the Liquidation Trust shall be deemed *in custodia legis* until such times as the funds have actually been paid to or for the benefit of a Beneficiary, and no Beneficiary or any other Entity can bind, pledge, encumber, execute upon, garnish, or attach the

Liquidation Trust Assets in any manner or compel payment from the Liquidation Trust except by Final Order of the Bankruptcy Court. Any such payment shall be governed solely by the Plan, Confirmation Order and this Agreement.

Plan and Confirmation Order. The terms of this Agreement are intended to supplement and effectuate the terms provided by the Plan, and the Confirmation Order. Accordingly, to the extent that the terms of this Agreement are inconsistent with the terms set forth in the Plan, and the Confirmation Order, then the terms of this Agreement shall govern and control. Any immaterial effectuating provisions of the Plan, Confirmation Order or this Agreement may be interpreted by the Liquidation Trustee in such a manner that is consistent with the overall purpose and intent of the Plan, Confirmation Order and this Agreement, all without further Order of the Bankruptcy Court.

Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior and contemporaneous agreements or understandings between the parties with respect to the subject matter hereof.

Actions Taken Other Than On a Business Day. In the event that any payment or act hereunder is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall, together constitute but one and the same instrument. A facsimile or electronic mail signature (PDF) of any party shall be considered to have the same binding legal effect as an original signature.

IN WITNESS WHEREOF, the parties have executed this Agreement (or are deemed to have so executed this Agreement) as of the day and year written above.

Liquidation Trustee

**Wellman Dynamics Corporation, now
known as Fansteel Foundry Corp.
(In its Capacity as Debtor)**

By: _____
Name: Daniel Dooley

By: _____
Name:
Title:

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EXHIBIT A – LIQUIDATION TRUST AGREEMENT

1. Carve-Out Proceeds in Trust with counsel for Committee.
2. Carve-Out Proceeds on deposit with the WDC Debtor.
3. Creditor Note.
4. Causes of Action as follows:

This following represents a non-exclusive list of categories of Causes of Action to be assigned to the Liquidation Trust in connection with the Plan (subject to the terms thereof). The Liquidation Trustee expressly reserves the right to alter, modify, remove, augment or supplement this schedule at any time in accordance with the Plan.

As set forth in the Plan, the Liquidation Trustee shall have and retain the sole and full power, authority, and standing to prosecute, compromise, or otherwise resolve the Causes of Action assigned to the Liquidation Trust, subject to the terms and conditions set forth in the Liquidation Trust Agreement and Plan. All proceeds derived from Causes of Action shall constitute Liquidation Trust Assets.

The Liquidation Trustee may enforce, sue on, settle or compromise (or decline to do any of the foregoing) any or all Causes of Action. The Liquidation Trustee expressly reserves the right to prosecute any and all Causes of Action against any Person and no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or the occurrence of the Effective Date. No entity may rely on the absence of a specific reference in the Plan, any Plan supplement, the Liquidation Trust Agreement or the Disclosure Statement to any Cause of Action against them as any indication that the Liquidation Trustee shall not pursue any and all available Causes of Action against them.

Certain Non-Exclusive Categories of Distribution Trust Actions

The categories of Causes of Action listed below are indicative, but are in no way exclusive, of the Causes of Action assigned to the Liquidation Trust under the Plan and Liquidation Trust Agreement.

1. Causes of Action in connection with asserting or exercising rights of setoff, counterclaim, or recoupment.
2. Causes of Action in connection with asserting or exercising claims upon any and all contracts and leases to which the WDC Debtor is or was a party.

3. Causes of Action in connection with asserting or exercising claims for breaches of duties imposed by law or in equity.
4. Causes of Action in connection with executory contracts and unexpired leases not assumed under the Plan.
5. Causes of Action in connection with asserting or exercising the right to object to Claims.
6. Causes of Action in connection with asserting or exercising any and all claims and rights pursuant to sections 105 or 362 of the Bankruptcy Code.
7. Causes of Action in connection with asserting or exercising any and all claims or defenses, including without limitation, fraud, mistake, duress, and usury and any other defenses available under section 558 of the Bankruptcy Code or otherwise.
8. Causes of Action related to potential preferences and/or fraudulent conveyances and any other Causes of Action under chapter 5 of the Bankruptcy Code.
9. Causes of Action against vendors, suppliers of goods or services, or other parties for overpayments, back charges, duplicate payments, improper holdbacks, deposits, warranties, guarantees, indemnities or setoff, but expressly excluding any such Causes of Action that belong to TCTM or its assignee as the Buyer under the APA.
10. Causes of Action against insurance carriers, reinsurance carriers, underwriters or surety bond issuers relating to coverage, indemnity, contribution, reimbursement or other matters, including the recovery of any premium refunds, but expressly excluding any such Causes of Action that belong to TCTM or its assignee as the Buyer under the APA.
11. Causes of action which are counterclaims and/or defenses relating to any Claim or action brought against the WDC Debtor or the Liquidation Trustee.
12. Causes of Action against the WDC Debtor's current and former directors and officers and/or any officers or directors of the parent of the WDC Debtor or of another Debtor or of a related company to or affiliate of the WDC Debtor. More specifically, without waiver or limitation, causes of action against Fansteel, WDMA, Leonard Levie, Brian Cassidy, and Curtis Zamec relating to, among other matters, sums due to the WDC Debtor and pre and post-petition actions and failures to act relative to the WDC Debtor.
13. Causes of action relating to or in connection with 510 Ocean Drive Debt Acquisition LLC ("510 Ocean") and its officers, directors, members, principals and owners, including, but not limited to, defenses, offsets and other issues relative to the 510 Claims as set forth in the Plan.
14. Any right of setoff or recoupment or any other affirmative defense in connection with any Claim or Cause of Action asserted by any Person.

Liquidation Analysis

The following is a hypothetical Chapter 7 Liquidation Analysis (the “Liquidation Analysis”) for *Fansteel Foundry Corporation, fdba Wellman Dynamics Corp.*’s Chapter 11 Plan of Liquidation (as may be amended, the “Plan”) ¹. While the Plan Proponent believes that the assumptions utilized in the Liquidation Analysis are reasonable, the validity of such assumptions may be affected by the occurrence of events or the existence of conditions not now contemplated or by other factors. Underlying this analysis is a number of assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Fansteel Foundry Corporation (the “Debtor”). Accordingly, while the analysis is presented with numerical specificity, there can be no assurance that the values reflected in the Liquidation Analysis would be realized if the Debtor was, in fact, to undergo such a chapter 7 liquidation, and actual results could vary materially from those shown herein.

The Creditor Note would not be available in a chapter 7 scenario, as there would be no trust for the Buyer to gift the Creditor Note.

The Plan Carve-Out is only available in a chapter 11 plan process.

Further, there can be no assurance that a Chapter 7 Trustee would bring Causes of Action for a variety of reasons including lack of funds in the Chapter 7 estate.

As illustrated by the attached Exhibits, a liquidation pursuant to chapter 7 would yield no distribution to Holders of Allowed Administrative Claims, Priority Claims or General Unsecured Claims. As such, the Plan Proponents believe that the proposed Plan will maximize recoveries for all constituencies.

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¹ Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Plan.

Fansteel Foundry Corp. (f/k/a Wellman Dynamics Corp.)
Estimated Liquidation Analysis

Estimated at June 20, 2018	Estimated	Comments
Cash Held in Escrow Post-Sale	\$ 6,285,970	Carve-out of sales proceeds and cash-on-hand at debtors post-closing
TCTM Secured Claim	\$ 9,100,000	Estimated per TCTM
Cash Available for Administrative Claims	<u>\$ -</u>	
Post-Conversion Administrative Claims		
Wind-down and other related costs (including counsel)	\$ 175,000	Estimate based on professional judgment
Pre-Conversion Administrative Claims		
503b9 claims	\$ 544,186	As filed
US Trustee fees	50,000	Estimated at \$1mm weekly disbursements for 5 weeks
ATEK/Bieber claim settlement	200,000	Per settlement
Pre-conversion professional fees - debtor counsel	1,400,000	Bradshaw Fowler
Pre-conversion professional fees - other debtor	383,203	Primarily CohnReznick and Clark Hill
Pre-conversion professional fees - Weil Gotshal	706,470	Allowed fees
Pre-conversion professional fees - other secured lender	900,542	Primarily Davis Brown and Mackinac
Pre-conversion professional fees - UCC	2,400,000	Archer Greiner, Nyemaster and MorrisAnderson
Post-petition payables and liabilities above APA caps	653,428	Per debtor schedule of accrued payables, employee vacation and benefit obligations, and real estate taxes
Net proceeds available for Ch11 admin claims	<u>\$ -</u>	
Recovery for Ch11 admin claims	<u>0.0%</u>	
Priority Claims		
GMP pension contributions	\$ 557,111	WDC Claim #47
IAM pension contributions	32,635	WDMA Claims #6, #7 (withdrawn from WDMA; not filed in WDC, but included for analysis purposes)
IOUE pension contributions	147,367	WDC Claim #82
IRS (unpaid excise taxes on pension)	48,145	WDC Claim #28
PBGC (unpaid minimum contributions)	43,482	WDC Claim #63
PBGC (statutory premiums)	99,737	WDC Claim #64; claim may be non-priority general unsecured but treated as filed for this analysis
Net proceeds available for priority claims	<u>\$ -</u>	
Recovery for priority claims	<u>0.0%</u>	
General Unsecured Claims		
Trade payables	\$ 6,833,049	Per debtor records
ATEK/Bieber claim	5,000,000	Per settlement at D.I. 747
Pension claims	1,407,456	IAM, IRS and PBGC (non-termination claims)
Pension termination claims	4,647,051	PBGC termination claim (estimated)
Union County Treasurer (Gardenia)	350,000	Deficiency claim. Amount is estimated pre-petition tax obligations
Total general unsecured claims	<u>\$ 18,237,556</u>	
Recovery on general unsecured claims	<u>0.0%</u>	
Subordinated General Unsecured Claims		
510 Ocean	<u>\$ 6,153,485</u>	Fansteel Claim #73
Recovery on subordinated general unsecured claims	<u>0.0%</u>	

Fansteel Foundry Corp. (f/k/a Wellman Dynamics Corp.)
Estimated Chapter 11 Claims Waterfall

Estimated at June 20, 2018	Estimated	Comments
Escrow Balances Available For Liquidation Trust		
Less Liquidation Trust funding	\$ 6,285,970	Plan Carve-Out provided by TCTM
Sale proceeds available for admin/priority claims	(175,000)	Per Plan and Trust Agreement
	\$ 6,110,970	Balance of Plan Carve-Out for Distribution
Secured Claims		
	350,000	Creston real estate tax claim
Admin Claims		
US Trustee fees	112,860	Estimated at \$1mm weekly disbursements for 5 weeks + \$6.3mm at 1% fee assessment
503b9 claims	408,140	At 75%; remainder deferred
ATEK/Bieber claim settlement	200,000	Add'l \$50k deferred to Liquidation Trust
Professional claims - debtor counsel	799,927	Bradshaw Fowler fees estimated through confirmation; at 60% with remainder deferred
Professional claims - other debtor	287,402	Primarily CohnReznick and Clark Hill; paid at 75% with remainder deferred
Professional claims - Weil Gotshal	529,852	Allowed Fees at 75%; remainder deferred
Professional claims - other secured lender	622,500	Allowed Fees at 75% with remainder deferred
Professional claims - UCC	1,800,000	Estimated through confirmation at 75%; remainder deferred
TCTM adequate protection claim	595,148	Portion of TCTM adequate protection claim
Subtotal administrative and secured claims	<u>\$ 5,355,829</u>	
Priority Claims		
GMP pension contributions	250,700	WDC Claim #47; paid at 45% with remainder deferred
IAM pension contributions	14,686	WDMA Claims #6, #7 (potentially withdrawn); paid at 45% with remainder deferred
IOUE pension contributions	66,315	WDC Claim #82; paid at 45% with remainder deferred
IRS (unpaid excise taxes)	21,665	WDC Claim #28; paid at 45% with remainder deferred
PBGC (unpaid minimum contributions)	19,567	WDC Claim #63; paid at 45% with remainder deferred
PBGC (statutory premiums)	-	WDC Claim #64; treated as general unsecured
GMP/IAM/IOUE unfunded benefit liability/withdrawals	-	Unliquidated; treated as GUC
Subtotal priority claims	<u>\$ 372,933</u>	
Estimated Available for Liquidation Trust	<u>\$ 32,209</u>	
Projected Recovery to General Unsecured Creditors		
Estimated Available for Liquidation Trust	\$ 32,209	
Proceeds from Creditor Trust	2,400,000	Gross value of creditor note
Recovery to Unsecured Creditors	<u>\$ 2,432,209</u>	
Net Litigation Proceeds from Causes of Action	\$ -	Unknown proceeds due to uncertainty of litigation
General Unsecured Creditors		
Trade payables	\$ 6,833,049	Per debtor records
ATEK/Bieber claim	5,000,000	Per settlement at D.I. 747
Pension claims	1,407,456	IAM, IRS and PBGC (non-termination claims)
Pension termination claims	4,647,051	PBGC termination claim (estimated)
TCTM deficiency claim	-	Not eligible to participate in creditor note
Deferred administrative and priority claims	-	Not eligible to participate in creditor note
Subtotal GUC pool	<u>\$ 17,887,556</u>	
Recovery to General Unsecured Creditors	<u>14%</u>	Additional recoveries possible from potential litigation