IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
MAREMONT CORPORATION, et al.,[1]	Case No. 19-10118 (KJC)
Debtors.	(Jointly Administered)

DECLARATION OF CARL D. ANDERSON, II IN SUPPORT OF THE ADEQUACY OF THE DISCLOSURE STATEMENT AND CONFIRMATION OF THE MODIFIED JOINT PREPACKAGED PLAN OF REORGANIZATION OF MAREMONT CORPORATION AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

Carl D. Anderson, II, being duly sworn, states the following under penalty of perjury:

1. I am Chairman of the Board and sole officer of Maremont Corporation ("Maremont"), and the sole officer and director of each of the other debtors in the above-captioned chapter 11 cases (the "Chapter 11 Cases"). I am familiar with the Debtors' businesses, asbestos and environmental litigation, and claims history and financial affairs.

2. I am authorized to submit this declaration (this "Declaration") in support of confirmation of the *Joint Prepackaged Plan of Reorganization of Maremont Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 10] (the "Original Plan), as supplemented by the *Plan Supplement to the Joint Prepackaged Plan of Reorganization of Maremont Corporation and Its Debtor Affiliates* [Docket No. 65] (the "Plan Supplement") and as modified by the *Modified Joint Prepackaged Plan of Reorganization of Maremont Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket

[1] The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's federal taxpayer identification number, are: Maremont Corporation (6138); Maremont Exhaust Products, Inc. (9284); AVM, Inc. (9285); and Former Ride Control Operating Company, Inc. (f/k/a ArvinMeritor, Inc., a Delaware corporation) (9286). The mailing address for each Debtor for purposes of these chapter 11 cases is 2135 West Maple Road, Troy, MI 48084.

No. 136] (the "Modified Plan," and together with the Original Plan, the Plan Supplement, and as may be further amended, modified, or supplemented from time to time, the "Plan"), and in conjunction with the *Memorandum of Law in Support of Entry of an Order Approving the Adequacy of the Disclosure Statement and Confirming the Modified Joint Prepackaged Plan of Reorganization of Maremont Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "Confirmation Memorandum"), filed concurrently herewith.[2]

3. I have reviewed, and I am generally familiar with, the terms and conditions of the Plan and all exhibits filed therewith, the Disclosure Statement and all exhibits filed therewith, the Proposed Confirmation Order, and, based on my personal knowledge and advice of counsel, the requirements for confirmation of the Plan under section 1129 of the Bankruptcy Code. Except as otherwise indicated herein, all facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, my discussions with the Debtors' legal and financial advisors and other professionals, or my opinion based upon my experience, knowledge, and information concerning the Debtors' operations and financial and business affairs. I am over the age of 18 and authorized to submit this Declaration on behalf of the Debtors. If called upon to testify, I would testify to the facts set forth herein.

I. Background.

4. The Debtors commenced these Chapter 11 Cases to implement a consensual, prepackaged chapter 11 plan of reorganization and channel their unmanageable asbestos liabilities to a section 524(g) trust in order to provide fair and equitable treatment to holders of current claims and future claimants. The Plan is the product of extensive good-faith, arm's-length negotiations between the Debtors, Meritor, the Future Claimants' Representative, and the

[2] Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Plan, the Confirmation Memorandum, the Proposed Confirmation Order, or the First Day Declaration, as applicable.

Asbestos Claimants Committee, and I believe it satisfies the confirmation requirements set forth in title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"), including the trust-specific provisions set forth in section 524(g).

5. After completing nearly a year of negotiations with representatives for current and future claimants, the Debtors solicited votes on the Plan from the only Impaired voting class of Claims under the Plan, Class 4 Asbestos Personal Injury Claims (the "Voting Class"). Every one of the more than 12,000 voting claimants in Class 4 voted to accept the Plan.

6. Based on my own knowledge of the Plan, the support from the Asbestos Claimants Committee and the Future Claimants' Representative, and the unanimous vote to accept the Plan, I believe that the Plan is fair and equitable, maximizes overall value, and optimizes recoveries for creditors. Moreover, I believe that the Plan is in the best interests of all stakeholders, clearly achieves the goals of an asbestos-related chapter 11 reorganization, and should be confirmed.

II. Maremont's Business and Property.

7. Maremont owns an income-producing commercial property in Grand Blanc, Michigan, which was valued at approximately $1.4 million as of October 2018 (the "Commercial Property"). The Commercial Property is a Dollar General store leased under a 15-year triple-net lease (the "Commercial Property Lease") that generates approximately $91,000 in annual revenue. The Debtors will assume the Commercial Property Lease pursuant to the Plan. I am informed that Reorganized Maremont intends to continue to own the Commercial Property business after the Effective Date, which will continue to generate rental income pursuant to the Commercial Property Lease.

III. Asbestos Personal Injury Claims Against Maremont and Its Debtor Affiliates.

8. Debtors Maremont and Maremont Exhaust Products, Inc. ("MEP") have collectively been subject to thousands of personal injury and wrongful death claims asserting that they are liable for damages caused by exposure to asbestos-containing products that they or their predecessor(s)-in-interest allegedly used, sold, manufactured, marketed, produced or distributed or that were allegedly present in their manufacturing facilities. These suits commenced in 1977 and have continued to the present. As of December 31, 2018, there were approximately 13,000 pending asbestos-related lawsuits against Maremont and MEP, of which approximately 1,900 were considered by the Debtors to be active. During the five-year period ending December 31, 2018, approximately 2,600 asbestos-related lawsuits were asserted against Maremont and MEP. During this same period, Maremont has incurred and paid approximately $43.8 million in defense and settlement costs on account of the Asbestos Personal Injury Claims, including over $6.2 million in the calendar year ended December 31, 2018. Maremont recently reported its contingent asbestos liabilities as of the end of fiscal year 2018 for the next 41 years at approximately $107 million (including future defense costs of approximately $79.6 million, of which $27.4 million was estimated to be incurred over the next five years).

IV. Asbestos Personal Injury Claims Against Non-Debtor Affiliates.

9. As stated in the First Day Declaration, in addition to the claims asserted against Maremont and its subsidiaries, certain plaintiffs also have alleged asbestos-related personal injury or wrongful death claims against one or more Non-Debtor Affiliates of Maremont, including Meritor, based upon or arising from alleged exposure to the Debtor Product Lines. These claims appear to name Non-Debtor Affiliates solely on account of the plaintiffs' purported exposure to the Debtor Product Lines. None of the Non-Debtor Affiliates has ever engaged in or been involved in the manufacture, distribution or sale of any of the Debtor Product Lines, and, to

date, no court has issued a ruling or made a finding that any Non-Debtor Affiliate is liable for any claims based upon or arising from any of the Debtor Product Lines or that any such Non-Debtor Affiliate should be treated as a successor in interest or alter ego of the Debtors, or that Maremont's corporate veil should be pierced.

10. In addition, Meritor and certain of its predecessors and affiliates other than the Debtors have been named as defendants in asbestos lawsuits alleging personal injury or wrongful death as a result of exposure to asbestos used in the Rockwell Product Lines of Rockwell International Corporation, i.e., the Rockwell Claims. Liability for certain Rockwell Claims was transferred to a predecessor of Meritor at the time of the spin-off of Rockwell International's automotive business to that predecessor in 1997. The Rockwell Product Lines are independent of the Debtor Product Lines, and while claims relating to the Debtor Product Lines will be channeled to the Asbestos Personal Injury Trust under the terms of the Plan, the Rockwell Claims will not.

V. Remaining Maremont Insurance.

11. Historically, Maremont maintained insurance coverage for asbestos liabilities under a number of primary and excess insurance policies issued by various insurers. The majority of Maremont's insurance coverage has been exhausted and released through insurance coverage settlements and is no longer available to provide coverage for asbestos-related personal injury or other claims.

12. The only remaining coverage currently held by Maremont is with FFIC pursuant to the FFIC Agreement, which is a coverage-in-place settlement agreement entered into with FFIC in 2010. As of the Petition Date, the remaining indemnity limits under the FFIC Agreement were approximately $7 million.

13. Zurich, Everest, Mt. McKinley, and FFIC were each providers of insurance to the Debtors. As a good faith compromise and settlement, pursuant to Section IV.D of the Plan, Zurich has agreed to be a Settling Insurer as defined in the Plan. Everest and Mt. McKinley have not objected to the treatment of the Everest Agreement set forth in Section IV.D of the Plan, and are therefore being treated as Settling Insurers in accordance with Section IV.D of the Plan. As of the date of this Declaration, an agreement with FFIC regarding the treatment of FFIC and the FFIC Agreement has been reached in principle and, subject to the parties completing final documentation, FFIC will be a Settling Insurer under the Plan. On the Effective Date, the FFIC Agreement, the Everest Agreement, and the Zurich Agreement will be rejected by the Debtors. FFIC (subject to final documentation), Zurich, Everest, and Mt. McKinley will each be Non-Estate Representative Released Parties and Protected Parties under the Plan.

VI. Trust-Related Settlement Negotiations.

14. As described in detail in the First Day Declaration, in the face of mounting costs to defend and resolve Asbestos Personal Injury Claims and dwindling insurance and other assets, Maremont decided to investigate a potential restructuring to be implemented through a chapter 11 proceeding, utilizing section 524(g) of the Bankruptcy Code to establish and fund a trust that would provide for the fair and equitable treatment of all Holders of Asbestos Personal Injury Claims. The parties' negotiation of the terms of the Plan and Asbestos Personal Injury Trust ultimately centered around fixing the amount of the Meritor Contribution for its and its affiliates' protections under the Asbestos Personal Injury Channeling Injunction and related provisions of the Plan. Following several months of good faith, arm's length negotiations, the parties agreed to the terms of a settlement now embodied in the Plan.

15. In addition to the parties spending considerable time negotiating a settlement, including the principal terms of significant contributions by Meritor and Maremont to help fund

the Asbestos Personal Injury Trust, it is my understanding that the advisors to the ad hoc committee of firms representing personal injury claimants (the "Ad Hoc Committee") and the prepetition Future Claimants' Representative, personally and/or through their advisors, engaged in numerous discussions regarding the terms of potential settlements with Maremont and Meritor and conducted their own negotiations regarding the terms of the Asbestos Personal Injury Trust. This included extensive negotiations regarding initial payment percentages and claim and distribution procedures for Holders of current Claims and future Demands. Following the initial negotiations between the Ad Hoc Committee and the prepetition Future Claimants' Representative regarding the terms of the Asbestos Personal Injury Trust Agreement and the Asbestos Personal Injury Trust Distribution Procedures (the "TDP"), counsel to the Debtors reviewed the proposed documents and further engaged in negotiations with the Ad Hoc Committee and the prepetition Future Claimants' Representative regarding the specific terms of the Asbestos Personal Injury Trust Agreement and the TDP. During these negotiations, counsel to the Debtors sought to understand the rationale and basis for including certain provisions in the TDP. It is my understanding that various revisions were made to the TDP as a result of negotiations among the Debtors, the Ad Hoc Committee and the prepetition Future Claimants' Representative. The Debtors' overall focus was to propose a Plan and Asbestos Personal Injury Trust in good faith that (i) would satisfy the requirements of the Bankruptcy Code, including sections 1129 and 524(g), (ii) included provisions intended to treat current and future claimants in substantially the same manner, and (iii) would be supported by the Ad Hoc Committee and prepetition Future Claimants' Representative, and accepted by Holders of Asbestos Personal Injury Claims.

VII. The Disclosure Statement, the Solicitation, and the Solicitation Procedures Satisfy the Bankruptcy Code's Requirements.

16. In connection with the Plan, the Debtors and their advisors prepared the Disclosure Statement, which describes the terms of the Plan and its effects on Holders of Claims against, and Interests in, the Debtors. I reviewed the Disclosure Statement before its distribution and, based on the advice of counsel, I believe it provides an accurate and thorough disclosure of the information required by Holders of Claims eligible to vote on the Plan—Holders of Asbestos Personal Injury Claims—to make an informed judgment whether to accept or reject the Plan. Specifically, the Disclosure Statement contains comprehensive information regarding, among other things: (a) the Plan and the Asbestos Personal Injury Trust Documents, including the Asbestos Personal Injury Trust Agreement and TDP; (b) the proposed settlements and restructuring transactions to be effected in connection with the Plan; (c) a description of the proposed Asbestos Personal Injury Channeling Injunction and detailed information regarding the Asbestos Personal Injury Trustee, the members of the Asbestos Personal Injury Trust Advisory Committee, and the Future Claimants' Representative; (d) key events leading to the commencement of these Chapter 11 Cases; (e) the treatment of Claims and Interests under the Plan; (f) the Debtors' relevant financial information; (g) risk factors regarding the Debtors and the Plan; and (h) federal tax law consequences of the Plan. The exhibits to the Disclosure Statement included the Original Plan, the Financial Projections, and the Financial Statements. Additionally, the Disclosure Statement and Plan were subject to review and comment both prepetition and during the Chapter 11 Cases by the Future Claimants' Representative and the Asbestos Claimants Committee, each of whom represent the interests of Holders of Asbestos Personal Injury Claims in the sole Voting Class.

17. Based on the foregoing, I believe that the Disclosure Statement contains adequate information to allow the creditors solicited to vote on the Plan to make an informed judgment about the Plan. I also believe that the Disclosure Statement, together with the Solicitation and the Solicitation Procedures,[3] satisfies the applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and applicable nonbankruptcy law as such requirements have been explained to me.

VIII. The Plan Satisfies Each of the Bankruptcy Code's Requirements for Confirmation.

18. Based on my understanding of the Plan, the events of the Chapter 11 Cases, and my discussions with the Debtors' professionals regarding the requirements of the Bankruptcy Code, I believe that the Plan satisfies all provisions of section 1129 of the Bankruptcy Code and complies with all other applicable sections of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and applicable nonbankruptcy laws as such requirements have been explained to me. Accordingly, I believe that the Bankruptcy Court should enter the Proposed Confirmation Order confirming the Plan.

A. The Plan Complies with the Applicable Provisions of the Bankruptcy Code.

19. I understand that section 1129(a)(1) of the Bankruptcy Code requires the Plan to comply with the applicable provisions of the Bankruptcy Code. As detailed below, I have been advised by the Debtors' legal advisors that the Plan satisfies this requirement.

1. The Plan's Classification of Claims and Interests Complies with Section 1122 of the Bankruptcy Code.

20. In addition to Administrative Expense Claims (which include Professional Fee Claims) and Priority Tax Claims, which I am advised need not be classified, the Plan classifies

[3] The Solicitation and the Solicitation Procedures are more fully described in the Debtors' previously-filed motion seeking approval thereof [Docket No. 9] and the order conditionally approving the Solicitation Procedures [Docket No. 42], and are supported by the First Day Declaration [Docket No. 3].

six Classes of Claims against the Debtors (Classes 1–6) and two Classes of Interests in the Debtors (Classes 7 and 8).

21. I am advised that the Plan separately classifies Claims and Interests based upon their different legal nature and/or priority; valid business, factual and legal reasons exist for separately classifying the various Classes of Claims and Interests; the classifications were not promulgated for any improper purpose; and such Classes do not unfairly discriminate between or among Holders of Claims or Interests.

2. The Plan Complies with the Requirements of Section 1123(a) of the Bankruptcy Code.

22. I understand that section 1123(a) of the Bankruptcy Code lists seven applicable requirements that a chapter 11 plan proponent must satisfy when seeking plan confirmation. As detailed below, I have been advised by the Debtors' legal advisors that the Plan satisfies these requirements. For instance, the identity and affiliations of the proposed sole officer and director for Reorganized Maremont and the Reorganized Subsidiaries, Sherman K. Edmiston, III, was identified and disclosed in Exhibit M to the Plan that was filed with the Plan Supplement. Mr. Edmiston has been selected with the participation of the Asbestos Claimants Committee and the Future Claimants' Representative. I am informed that on the Effective Date, I will be removed as an officer and director of the Debtors. I have been further advised that, after the Effective Date, the Reorganized Debtors' organizational documents, as each may be amended thereafter from time to time, shall govern the designation and election of directors of the Reorganized Debtors.

3. The Plan Complies with Section 1123(b) of the Bankruptcy Code.

23. I understand that section 1123(b) of the Bankruptcy Code sets forth permissive provisions that may be incorporated into a chapter 11 plan. I have been advised by the Debtors'

legal advisors that each such provision of the Plan is consistent with section 1123(b). In particular, I understand that the Plan contains certain discharge, release, exculpation, and injunction provisions that are not inconsistent with the applicable provisions of the Bankruptcy Code and are essential to the reorganization.

4. The Releases and Exculpation Contained in the Plan Are Necessary and Appropriate.

24. The Plan, except as otherwise expressly provided (including with respect to the treatment of the FFIC Agreement, the Zurich Agreement and the Everest Agreement), provides for the release of certain claims by the Debtors, the Estates, and the Reorganized Debtors (the "Debtor Release") set forth in Section VIII.E of the Plan and a related injunction with respect to such release, as well as the release provided by certain Holders of Claims against or Interests in any of the Debtors that do not elect to opt-out of the release set forth in Section VIII.F of the Plan (the "Third Party Release"). I believe that the release provisions of the Plan were negotiated at arm's length, are wholly consensual, and are necessary and integral components of the Debtors' formulation and implementation of the Plan.

25. The Debtor Release provides for the Debtors' release of Meritor and the other Non-Debtor Affiliates, the Settling Insurers, solely in their capacity as such, any Representative of the foregoing entities, and any Meritor-Indemnified Representative (as defined in the Plan, the "Non-Estate Representative Released Parties") from certain claims of the Debtors, along with a related injunction. The Debtor Release also provides for each Debtor's release of the other Debtors, the Reorganized Debtors, the members of the Asbestos Claimants Committee, solely in their capacity as such, the Future Claimants' Representative, solely in his capacity as such, and each of the foregoing Entities' Representatives (other than the Meritor-Indemnified

Representatives) (as defined in the Plan, the "Released Parties") from certain claims of the Debtors, and a related injunction.

26. Based upon my participation in the negotiations that culminated in the execution of the Plan, I believe that the Debtor Release and Third Party Release are essential components of the Plan and a sound exercise of the Debtors' business judgment. The Debtor Release and related injunction are (i) fair and reasonable to parties in interest; (ii) an essential means of implementing the Plan; (iii) an integral element of the settlements embodied in the Plan, including the Maremont Contribution and the Meritor Contribution; (iv) beneficial to, and in the best interests of, the Debtors, the Estates, and the Debtors' creditors; and (v) critical to the overall objectives of the Plan to finally resolve all Claims and Demands among or against the parties in interest in the Chapter 11 Cases with respect to Asbestos Personal Injury Claims based upon or arising out of the Debtor Product Lines. Such provisions were the subject of extended arm's length negotiations among the Debtors, Meritor, and the asbestos constituencies in the Chapter 11 Cases, and I do not believe the Plan would have been possible without these provisions. The Non-Estate Representative Released Parties and the Released Parties have been vital to the Debtors' reorganization, the formulation of the Plan, and the prosecution of the Chapter 11 Cases, including confirmation of the Plan.

27. The Debtors' directors, officers, and professional advisors have made substantial contributions to the restructuring through their involvement in negotiating, formulating, and implementing the Plan and supporting the administration of the Chapter 11 Cases. I am also advised that the Debtors are obligated to indemnify a number of the Debtors' current and former directors, officers, managers, and professionals. I further believe that such releases are provided in exchange for, and are supported by, fair, sufficient, and adequate consideration provided by the parties receiving such releases, and are a good faith settlement and compromise of the claims

released. Each non-Debtor party being released was instrumental to the formulation of the Plan and the successful prosecution of the Chapter 11 Cases and, in my opinion, provided significant benefits to the Debtors and the Estates.

28. I believe that the Third Party Release is fair to Holders of Claims and Interests, necessary to the proposed reorganization, given in exchange for, and supported by, fair, sufficient, and adequate consideration provided by the Released Parties and the Non-Estate Representative Released Parties, and is a good faith settlement and compromise of the claims released.

29. The Plan also provides for exculpation to certain parties that protects them with respect to actions taken or omissions in connection with the Chapter 11 Cases. I believe the exculpation is the product of good faith, arm's-length negotiations, is a critical component of the Plan, and should be approved.

30. Notwithstanding anything contained in the Plan, the Confirmation Order, or the Plan-related documents (collectively, the "Plan Documents"), I understand that nothing in the Plan Documents will discharge, release, or enjoin any liability under environmental laws or police and regulatory statutes or regulations to a Governmental Unit, nor preclude a Governmental Unit from asserting or enforcing various liabilities and rights against the Debtors, Reorganized Debtors, and Non-Debtor Affiliates, as set forth in full in the Proposed Confirmation Order.

5. The Debtors' Proposed Assumption, Assumption and Assignment, and Rejection of Executory Contracts Reflects Sound Business Judgment.

31. I am advised by the Debtors' legal advisors that on the Effective Date, all Executory Contracts shall be rejected by the applicable Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, unless any such Executory

Contract is listed on the Assumed Executory Contract and Unexpired Lease List or is specifically addressed by an order of the Court prior to the Effective Date. The Debtors are not in default under any Executory Contract assumed pursuant to the Plan and accordingly, no cure amounts are required to be paid to any party to such Executory Contract, unless the Court determines otherwise or the parties mutually agree to a cure amount prior to the Effective Date.

32. The Debtors' rejection of all Executory Contracts, except those listed on Exhibit J to the Plan or otherwise addressed pursuant to an order of this Court, is a sound exercise of the Debtors' business judgment. The rejection of these Executory Contracts pursuant to the Plan is beneficial and necessary to the Debtors' and Reorganized Debtors' operations upon and subsequent emergence from chapter 11, and is in the best interests of the Debtors, their Estates, and their creditors. In addition, the Debtors have exercised sound business judgment in determining to assume or assume and assign the Executory Contracts listed on Exhibit J to the Plan. The assumption or assumption and assignment of such Executory Contracts pursuant to the Plan is beneficial and necessary to the Debtors' and Reorganized Debtors' operations upon and subsequent emergence from chapter 11, and is in the best interests of the Debtors, their Estates, and their creditors. In addition, the assumption by the Reorganized Debtors and the Asbestos Personal Injury Trust of indemnification obligations pursuant to the Asbestos Claims Indemnification Agreement (Plan Ex. A) and the survival of the Debtors' indemnification obligations to certain Representatives of the Debtors and the Non-Debtor Affiliates post-emergence is of fundamental importance to the Debtors' reorganization process, is a sound exercise of the Debtors' business judgment, and is in the best interests of the Debtors, their estates, and their creditors. As of the date hereof, I am advised that the Debtors have received no objections to the proposed assumption or rejection of any Executory Contracts, to the Debtors' representation that no cure amounts are due with respect to any Executory Contract to which the

Debtors are a party, or that the Debtors' have provided adequate assurance of future performance of the Executory Contracts to be assumed or assumed and assigned.

B. The Plan Has Been Proposed in Good Faith.

33. I believe that the Debtors filed the Chapter 11 Cases and proposed the Plan in good faith, and with the legitimate purpose of providing a fair and equitable resolution of their Asbestos Personal Injury Claims. In particular, I believe the Plan is intended to maximize the returns available to creditors and other parties in interest by allowing the Debtors to channel their Asbestos Personal Injury Claims to the Asbestos Personal Injury Trust and assign their Environmental Claims to an affiliate of their ultimate parent, Meritor.

34. The Debtors engaged in extensive good-faith, arm's length negotiations with Meritor, the Asbestos Claimants Committee, and the prepetition Future Claimants' Representative, which led to the Plan's formulation. In the negotiations, the Debtors sought to reach a fair and equitable global resolution of their Asbestos Personal Injury Claims, including future Demands. The Plan and the contracts, instruments, agreements, and documents necessary and related to implementing, effectuating, and consummating the Plan – including the Asbestos Personal Injury Trust Documents – along with the Plan's classification, indemnification, release, injunction, and exculpation provisions, were the product of lengthy and hard-fought negotiations among the parties, and reflect the global compromise of numerous complex and interdependent issues.

C. The Debtors Have Disclosed All Necessary Information Regarding the Director and Officer of the Reorganized Debtors.

35. The identity and affiliations of the proposed sole officer and director for Reorganized Maremont and the Reorganized Subsidiaries after confirmation of the Plan, Sherman K. Edmiston, III, who is also currently a director of Maremont, was identified and

disclosed in Exhibit M to the Plan that was filed with the Plan Supplement. I believe that the continuation in office of Mr. Edmiston as the proposed sole director and officer of each of the Reorganized Debtors will allow the Reorganized Debtors to benefit from his familiarity with the Debtors' reorganization and business going forward, which is consistent with the interests of Holders of Claims and Interests and with public policy.

D. The Plan Is in the Best Interests of All Creditors and Equity Security Holders of the Debtors.

36. The Debtors' legal advisors have informed me that section 1129(a)(7) of the Bankruptcy Code requires that each Holder of an Impaired Claim or Interest either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Two Classes of Claims or Interests (other than Intercompany Claims) are Impaired under the Plan: Asbestos Personal Injury Claims (Class 4) and Maremont Equity Interests (Class 7). As discussed above, the Holders in the Voting Class who voted on the Plan voted unanimously to accept the Plan, thereby satisfying clause (a) above with respect to Class 4. With respect to Class 7, I believe that the requirement of section 1129(a)(7) is also satisfied because the Holders of Maremont Equity Interests would receive no distribution if Maremont were liquidated under chapter 7 of the Bankruptcy Code due to the absence of the Meritor Contribution.

37. I expect that there will be substantially more assets available to pay Holders of Claims under the Plan than would be the case if there were no Plan because of, among other reasons, the Meritor Contribution. The Meritor Contribution includes, among other things, (i) the Settlement Payment of $28 million in cash, (ii) the Meritor Release, (iii) the contribution of the Intercompany Receivables (valued at approximately $165 million as of the Petition Date) to

certain of the Debtors, which will result in their effective cancellation and a reduction of the Debtors' liabilities with respect to such receivables, (iv) the Intercompany Loan Payment, the balance of which was approximately $20 million as of the Petition Date, and (v) Arvin Environmental Management, LLC's ("Arvin Environmental") assumption of Environmental Claims and the agreement of Meritor Heavy Vehicle Systems, LLC ("Meritor HVS") and Arvin Environmental to indemnify the Reorganized Debtors and their affiliates from and against Environmental Claims, pursuant to and to the extent set forth in the Environmental Assumption and Indemnification Agreement. Further, the Plan is the result of an extensively negotiated settlement, which avoids costly and time-consuming litigation that would deplete the funds available for creditors. All of these factors demonstrate that the Plan provides greater recoveries to creditors and Demand holders than would be realized in a chapter 7 liquidation, the costs of which would deplete much of the recoveries from the liquidation of the Debtors' assets. As a result of the foregoing, I believe that confirmation of the Plan is in the best interests of all creditors.

E. Acceptance by Certain Classes.

38. The only known Intercompany Claims in Class 6 are the Intercompany Receivables held by Meritor, which I understand are being contributed to Maremont as part of the Meritor Contribution, and then are being contributed to the Maremont Subsidiaries as part of the Maremont Contribution. The Intercompany Receivables are therefore being consensually resolved and settled pursuant to the Plan, and I am informed that Meritor, as Plan Proponent, affirmatively consents to the treatment of the Intercompany Receivables notwithstanding any deemed rejection of Class 6.

F. The Plan Is Feasible.

39. I understand that the Bankruptcy Code requires that, for the Plan to be confirmed, it must be feasible—i.e., not likely to be followed by the liquidation, or further financial reorganization of the Debtors or any successor to the Debtors. I believe that the Debtors have satisfied this requirement.

40. It is my belief that the Plan is feasible in that the Reorganized Debtors are likely to be able to meet their financial obligations under the Plan and the Plan is not likely to be followed by the liquidation or further financial reorganization of the Debtors. I believe that the terms of the Plan reflect a carefully conceived reorganization, developed through months of negotiations between the Debtors, Meritor, the Ad Hoc Committee, and the prepetition Future Claimants' Representative. Pursuant to the Plan, the Debtors will create and fund the Asbestos Personal Injury Trust pursuant to section 524(g) of the Bankruptcy Code. I understand that the Asbestos Personal Injury Trust will be in a position to begin operating on the Effective Date, as the relevant governing and other documents have been included as exhibits to the Plan and will go into effect upon the Effective Date. In addition, on the Effective Date, Meritor will contribute the Settlement Payment of $28 million as part of the Meritor Contribution. I am advised that the Asbestos Personal Injury Channeling Injunction will effectively redirect the liability and responsibility of the Debtors for Asbestos Personal Injury Claims (including Demands) to the Asbestos Personal Injury Trust from and after the Effective Date, enabling the Reorganized Debtors to operate without further responsibility for such liabilities. On the Effective Date, all outstanding shares of Maremont will be cancelled and 100% of the Reorganized Maremont Stock will be issued to the Asbestos Personal Injury Trust, with each of Debtors AVM, FRCOC, and MEP remaining wholly owned subsidiaries of Reorganized Maremont. The Asbestos

Personal Injury Trust will have the right to receive dividends from Reorganized Maremont's commercial property business.

41. In the absence of the Plan, based on the substantial number of asbestos-related personal injury lawsuits that have been asserted against Maremont and MEP in the past and that remained unresolved on the Petition Date, as well as the long latency period for many asbestos-related diseases, Maremont and MEP would be subject to substantial future Demands that the Estates would not have the ability to pay.

42. My understanding, based upon my discussions with the Debtors' advisors, is that on the Effective Date, the Debtors will also make the Effective Date Payments or set aside the Reserve Funds sufficient for the payment in Cash of the Allowed amount of any unpaid Administrative Expense Claims, Priority Tax Claims, Priority Non-Tax Claims, Secured Claims, General Unsecured Claims, and all legal fees and expenses reasonably likely to be incurred by the Reorganized Debtors through the closing of the Chapter 11 Cases.

43. I believe that the Plan is also feasible because of the revenue generated by Reorganized Maremont's continued management of the Commercial Property business, which will continue to generate rental income pursuant to the Commercial Property Lease. The Debtors, with the assistance of their advisors, prepared projections for the years ending December 31, 2019, 2020, and 2021, including my assumptions related thereto, which were attached to the Disclosure Statement as Exhibit B (the "Financial Projections"). Based on this ownership, the Financial Projections show sufficient cash flow to fund the Reorganized Debtors' operations going forward, and provide a dividend to the Asbestos Personal Injury Trust as the owner of Reorganized Maremont.

44. As reflected in the Financial Projections, I anticipate that the Debtors will timely meet all of their obligations under the Plan and will be positioned to generate positive net income

for the foreseeable future. The Financial Projections are based on a number of closely-examined assumptions that I made in good faith, in consultation with the Debtors' advisors. Further, I believe that the Financial Projections reflect my best judgment and expectations regarding the Debtors' future operations and financial position, and that the Debtors and their advisors took various considerations into account in preparing the Financial Projections. For the reasons stated herein, I believe the restructuring embodied in the Plan has a reasonable likelihood of success and that the Plan's confirmation is not likely to be followed by liquidation or the need for further reorganization.

G. The Debtors Do Not Have Obligations in Respect of Retiree Benefits.

45. The Debtors do not have any continuing obligations in respect of retiree benefits, and so I am advised by the Debtors' legal advisors that section 1129(a)(13) of the Bankruptcy Code is inapplicable to the Plan.

H. The Plan Is Fair and Equitable and Does Not Unfairly Discriminate with Respect to the Deemed Rejecting Classes.

46. I understand that, to "cram down" the Plan on a deemed rejecting class, the Plan must not discriminate unfairly and must be "fair and equitable" with respect to such Class. I believe the Plan's treatment of Class 6 (Intercompany Claims) is proper under the Plan and does not represent unfair discrimination. I am advised that Class 6 will either be Unimpaired or Impaired, as to be determined by the Debtors or the Reorganized Debtors as applicable, and as a result the Intercompany Claims will either be deemed to accept or deemed to reject the Plan, and not entitled to vote on the Plan. The only known claims in Class 6, however, are the Intercompany Receivables, which are being consensually resolved and settled under the Plan pursuant to the Meritor Contribution and the Maremont Contribution, and Meritor, as Plan

Proponent, affirmatively consents to such treatment notwithstanding any deemed rejection of Class 6 under section 1126(g) and supports confirmation of the Plan.

47. I also believe that the Plan's treatment of Class 7 is proper because no similarly situated Class of Claims or Interests will receive more favorable treatment under the Plan. In fact, there are no similarly situated Classes of Interests pursuant to the Plan, so the Plan does not discriminate unfairly. The Plan is also fair and equitable with respect to Class 7 because no Holder of any Interest that is junior to such Class will receive or retain any property under the Plan on account of such junior Interest, and no Holder of a Claim or Interest in a Class senior to Class 7 is receiving more than 100% of recovery on account of its Claim or Interest. (Additionally, for the same reasons, the Plan is fair and equitable with respect to Class 6.)

IX. Modifications to the Plan.

48. I understand that section 1127(a) of the Bankruptcy Code and Bankruptcy Rule 3019 allow a plan proponent to modify its plan at any time before confirmation. I am informed that the Debtors have filed the Modified Plan, which contains certain technical modifications as well as certain other modifications that are responsive to the UST Objection and informal comments from other parties. I believe that these modifications are either immaterial or do not adversely affect the way any creditors and stakeholders are treated, and thus comply with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019. I also understand that the Asbestos Claimants Committee, the Future Claimants' Representative, and Meritor as a Plan Proponent have reviewed and agreed to the modifications. Accordingly, it is my belief, having conferred with the Debtors' legal advisors, that no additional solicitation or disclosure is required on account of the modifications and that such modifications should be deemed accepted by all creditors that previously accepted the Plan.

X. The Plan and TDP Satisfy the Requirements of Section 524(g) of the Bankruptcy Code.

49. In the absence of the Plan and based on the substantial number of asbestos-related personal injury lawsuits that have been asserted against Maremont and MEP in the past and that remained unresolved on the Petition Date, as well as the long latency period for many asbestos-related diseases, I believe the Debtors would be subject to substantial future Demands for payment arising out of the same or similar conduct or events that gave rise to the Asbestos Personal Injury Claims that are addressed by the Asbestos Personal Injury Channeling Injunction.

50. Due to the long latency period for asbestos-related diseases and the substantial number of asbestos-related personal injury lawsuits that had been asserted in the past and that remained unresolved on the Petition Date, the actual number and amounts of future Demands in respect of alleged asbestos-related personal injuries to which the Debtors would be subject, and the timing of assertion of such Demands, cannot be determined by the Debtors or its advisors with specificity.

51. I understand that the U.S. Trustee has taken the position that the Plan was proposed in bad faith because certain aspects of the TDP purportedly do not sufficiently guard against fraud and abuse by individual claimants in the tort and trust system. The Debtors proposed the Plan and the TDP in good faith. As described above, both the Plan and the TDP were the product of months of diligence by, and negotiations with, the Ad Hoc Committee and the prepetition Future Claimants' Representative. The Debtors specifically reviewed and negotiated the TDP extensively with the Ad Hoc Committee and the prepetition Future Claimants' Representative, and through those negotiations concluded that the TDP was reasonable and appropriate. In particular, I understand that the TDP was based on standard trust

distribution procedures that have been approved by courts in multiple prior, and recent, asbestos-related bankruptcies. Further, I understand that the TDP includes multiple provisions designed to guard against fraud and abuse by individual claimants in the tort and trust system.

XI. The Plan Settlements, Including the Asbestos Personal Injury Channeling Injunction, Were the Product of Good-Faith Compromise.

52. As described above and in the First Day Declaration, the lengthy arm's-length negotiations among the parties resulted in a complex settlement incorporating several elements, each of which is essential to the global compromise achieved by the Plan. Specifically, the definition of "Protected Parties" in Section I.A.126 of the Plan includes the Debtors, the Reorganized Debtors, Meritor Related Parties, the Non-Debtor Affiliates, the Settling Insurers, which includes Zurich, FFIC (subject to final documentation), Everest, and Mt. McKinley, and any Representative of the Debtors, the Reorganized Debtors, or any Representative of the foregoing parties, in each case that is not a Non-Indemnified Party. The Plan definition of Protected Parties in Section I.A.126 was negotiated extensively and with assistance and input from the Plan Proponents, the Asbestos Claimants Committee, the Future Claimants' Representative, and certain of the Debtors' insurers. The Non-Debtor Affiliates are each a former affiliate or predecessor of the Debtors, or current or former affiliates of Meritor other than the Debtors. Each of the Settling Insurers were providers of insurance to the Debtors in respect of asbestos-related claims. The Asbestos Personal Injury Channeling Injunction is to be implemented in accordance with the Plan and the Asbestos Personal Injury Trust Documents, and on the Effective Date, the Asbestos Personal Injury Trust will assume all liabilities, obligations, and responsibilities of the Debtors with respect to Asbestos Personal Injury Claims, and will have sole and exclusive authority to satisfy or defend against all Asbestos Personal Injury Claims. These provisions were heavily negotiated with the Asbestos Claimants

Committee and Future Claimants' Representative, and extensive description of such terms is provided in the Plan and Disclosure Statement.

53. The Meritor Related Parties included as part of the Protected Parties include, among other entities, the Non-Debtor Affiliates (as such term is defined in the Plan). Meritor will make the Meritor Contribution on behalf of itself and the other Non-Debtor Affiliates in exchange for the protections afforded to the Non-Debtor Affiliates under the Plan. The Meritor Contribution, in summary and subject to the definition ascribed to it in the Plan, consists of $28 million in cash in addition to other contributions. This ensures that Meritor will contribute more than half of the cash component of the overall settlement embodied in the Plan and the cash funding of the Asbestos Personal Injury Trust. The settlement with Meritor was within an acceptable range of outcomes for the putative litigation.

54. In addition, as another element of the overall compromise achieved through the Plan, Meritor has agreed to the discharge of its Intercompany Claims, which consist of approximately $165 million of Intercompany Receivables against certain of the Debtors. Such Claims will be discharged through Meritor's contribution of the Intercompany Receivables first to Maremont, which will then contribute them to the Maremont Subsidiaries. The resolution of the Intercompany Claims represents a substantial benefit in favor of the Debtors' creditors and future Demand holders.

55. As part of the Meritor Contribution, Arvin Environmental, an affiliate of Meritor HVS, will assume the Environmental Claims from the Reorganized Debtors, and Arvin Environmental and Meritor HVS will indemnify and hold harmless the Reorganized Debtors and their affiliates for any such Environmental Claims (other than Asbestos Personal Injury Claims) pursuant to the Environmental Assumption and Indemnification Agreement attached to the Plan as Exhibit G. Arvin Environmental and Meritor HVS have the financial wherewithal to satisfy

any resulting obligations with respect to the Environmental Claims and to pay and perform any and all environmental liabilities assumed pursuant to the Environmental Assumption and Indemnification Agreement. Meritor HVS is Meritor's main U.S. operating subsidiary, and owns nearly all of Meritor's assets in North America in conjunction with conducting nearly all of Meritor's North American business operations. Meritor HVS had revenues of approximately $2.6 billion for fiscal year 2018. Further, Meritor HVS represents and warrants that Arvin Environmental is and will remain an affiliate during all times in which Meritor HVS has any obligations under the Environmental Assumption and Indemnification Agreement. Arvin Environmental will be adequately capitalized to pay any obligations arising under the Environmental Assumption and Indemnification Agreement in the ordinary course.

XII. Cause Exists to Waive the Stay of the Confirmation Order.

56. I understand that certain Bankruptcy Rules provide for the stay of an order confirming a plan of reorganization, but that such stay may be waived upon order of the Bankruptcy Court for cause. I believe that cause exists to waive any stay of the entry of the Proposed Confirmation Order so that the Debtors can consummate the Plan and commence its implementation without delay after its entry. The Plan enjoys unanimous support from the Debtors' creditors and equity security holders, and is the product of extensive, good-faith negotiations among the Debtors and their principal stakeholders. Any potential extension of the length of time the Debtors must remain in chapter 11 would serve only to increase the administrative and professional costs incurred by the Estates. As noted above, the Plan enjoys overwhelming support from the Debtors' creditors and equity security holders, and is the product of extensive, good-faith negotiations among the Debtors and their principal stakeholders. For these reasons, I believe that cause exists to waive any stay imposed by the Bankruptcy Rules so

that the Plan can be consummated immediately upon entry of the Confirmation Order and District Court approval obtained promptly thereafter.

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Dated: March 12, 2019

Respectfully submitted,

/s/ Carl D. Anderson, II

Carl D. Anderson, II
Chairman of the Board and Sole Officer
Maremont Corporation