

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

MAREMONT CORPORATION, et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 19-10118 (KJC)

(Jointly Administered)

**DECLARATION OF JAMES L. PATTON, JR. 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**

I, James L. Patton, Jr., the legal representative for future asbestos claimants (the “Future Claimants’ Representative”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) of Maremont Corporation (“Maremont”) and its affiliated debtors and debtors in possession (collectively, the “Debtors”), pursuant to 28 U.S.C. § 1746, hereby declare as follows:

1. I submit this declaration in support of the Debtors’ request for entry of an order, substantially in the form filed concurrently herewith: (i) approving the *Disclosure Statement for the Joint Prepackaged Plan of Reorganization of Maremont Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 11] (as amended, modified or supplemented from time to time, the “Disclosure Statement”); and (ii) confirming the *Joint Prepackaged Chapter 11 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”)

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

Supplement”) and as modified by the *Modified Joint Prepackaged Chapter 11 Plan of Reorganization of Maremont Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 136] ( together with the Original Plan, and the Plan Supplement, and as may be further amended, modified, or supplemented from time to time, the “Plan”).<sup>2</sup>

2. On January 31, 2019 the Debtors filed *Debtors’ Motion for Entry of an Order Appointing James L. Patton, Jr., as Legal Representative for Future Asbestos Claimants, Nunc Pro Tunc to the Petition Date* [Docket No. 44] (the “FCR Motion”). At the conclusion of the March 8, 2019 hearing on the FCR Motion (the “Hearing”),<sup>3</sup> the Bankruptcy Court approved my appointment as the Future Claimants’ Representative. See Hr’g Tr. 102:24 – 103:2, Mar. 8, 2019.

3. On March 11, 2019, the Bankruptcy Court approved my application to retain and employ Young Conaway Stargatt & Taylor, LLP (“YCST”) as my counsel [Docket No. 129] and Ankura Consulting Group, LLC (“Ankura” and, together with YCST, the “FCR Professionals”) as my claims evaluation consultants [Docket No. 130].

4. This declaration is based upon my personal knowledge and experience in these Chapter 11 Cases, my review of various documents, the work of FCR Professionals, and other due diligence. This declaration describes my recollection and analysis at this time based on the information currently available to me. It does not attempt to capture every detail of every topic addressed. I reserve the right to revise, amend, and/or supplement my declaration as appropriate in my judgment to address other matters or to the extent additional or updated information becomes available to me.

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<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan.

<sup>3</sup> The testimony I provided at the Hearing is incorporated herein. Hr’g Tr. 29:16 – 55:9, Mar. 8, 2019.

**I. Qualifications of the Future Claimants' Representative**

5. I have more than 30 years of experience with asbestos litigation, bankruptcies, and settlement trusts. I am chairman emeritus of YCST and a partner in its Bankruptcy and Corporate Restructuring section. I specialize in corporate restructurings, mass tort insolvencies and complex asbestos bankruptcies, and post-confirmation asbestos settlement trusts.

6. My experience includes serving as a future claimants' representative in bankruptcy cases and post-bankruptcy settlement trusts. Since May 8, 2006, I have served as the future claimants' representative for the Celotex Asbestos Settlement Trust. I also served as the future claimants' representative in the bankruptcy cases of *In re Leslie Controls, Inc.*, Case No. 10-12199 (CSS) (Bankr. D. Del.), following my appointment on July 12, 2010; *In re United Gilsonite Labs.*, Case No. 5:11-bk-02032 (RNO) (Bankr. M.D. Pa.), following my appointment on June 30, 2011; and *In re Yarway Corp.*, Case No. 13-11025 (BLS) (Bankr. D. Del.), following my appointment on April 22, 2013. I continue to serve as the future claimants' representative for the asbestos personal injury settlement trusts established from those cases. In addition, motions are pending to appoint me as the future claimants' representative in *In re The Fairbanks Co.*, Case No. 18-41768 (PWB) (Bankr. N.D. Ga.) and *In re Imerys Talc America, Inc., et al.*, Case No. 19-10289 (LSS) (Bankr.D. Del.).

**II. Due Diligence of the Future Claimants' Representative**

7. I served as the prepetition Future Claimants' Representative in connection with the formulation of the Debtors' prepackaged plan, and I retained the FCR Professionals to advise me in that capacity. YCST and I continued to participate in the formulation and negotiation of the Plan and Plan Documents after the Petition Date. I was appointed by the Bankruptcy Court

as part of the Chapter 11 Cases for the purpose, among other things, of protecting the rights of future Demand Holders.

8. The FCR Professionals and I conducted due diligence in connection with negotiating the Plan and the Plan Documents. We reviewed (i) the background, nature, and scope of the Debtors' liability for Asbestos Personal Injury Claims; (ii) the number and value of the Asbestos Personal Injury Claims historically asserted against the Debtors; (iii) the Debtors' prepetition asbestos settlement and litigation history; (iv) the nature and extent of the Asbestos Personal Injury Claims pending against the Debtors as of the Petition Date; and (v) the likelihood and potential value of future Asbestos Personal Injury Claims and Demands against the Debtors and the Protected Parties.

9. The due-diligence efforts of the FCR Professionals and me also included analyzing the businesses, capital structures, insurance, and general affairs of the Debtors and certain related parties. Our due diligence further included a review of matters relating to the Debtors' insurance assets and their availability to pay Asbestos Personal Injury Claims and Demands. The due diligence enabled me to evaluate the pool of assets potentially available for Holders of Asbestos Personal Injury Claims and Demands, as well as the prospects that holders of Asbestos Personal Injury Claims and Demands would have absent the Plan and the Asbestos Personal Injury Channeling Injunction.

10. The Plan and the contracts, instruments, agreements, and documents necessary and related to implementing, effectuating, and consummating the Plan - including all exhibits to the Plan - such as the Asbestos Personal Injury Trust Documents - along with the Plan's classification, indemnification, release, injunction, and exculpation provisions, are the

culmination of the extensive good-faith, arm's-length negotiations among the Debtors, Meritor, the Asbestos Claimants Committee, and myself that led to the Plan's formulation.

**III. Overview of the Plan, the Asbestos Personal Injury Trust, the Trust Distribution Procedures, and the Asbestos Personal Injury Channeling Injunction**

11. Based on the due diligence conducted by FCR Professionals and me and our work on the Plan and the other Plan Documents, I believe the Plan represents a reasonable resolution of the Debtors' liabilities and is fair and equitable to the future holders of Demands ("Future Demand Holders").

12. The centerpiece of the Plan is the establishment of the Asbestos Personal Injury Trust (the "Trust") that will assume liabilities for all Asbestos Personal Injury Claims, including Demands. See Plan at § IV.E.2; Asbestos Personal Injury Trust Agreement (Plan Exhibit C) at § 1.2. More specifically, the Plan provides that the Trust shall have no liability for any Claims and Demands other than Asbestos Personal Injury Claims and Asbestos Personal Injury Trust Expenses and, further, that no Claims other than Asbestos Personal Injury Claims and Asbestos Personal Injury Trust Expenses shall be transferred and channeled to the Asbestos Personal Injury Trust.

13. Pursuant to Section IV.E.3 of the Plan, the Trust will be funded on the Effective Date by the Asbestos Personal Injury Trust Assets, which consist of: (a) the Asbestos Personal Injury Trust Contributions; (b) all other assets, rights, and benefits assigned, transferred or conveyed to the Trust in connection with the Plan or any other Plan Documents; and (c) all proceeds of the foregoing.

14. The Trust is required by its terms to use the Asbestos Personal Injury Trust Assets and the income therefrom to resolve Asbestos Personal Injury Claims in accordance with the Asbestos Personal Injury Trust Agreement (the "Trust Agreement") and the Asbestos Personal

Injury Trust Distribution Procedures (the “TDP”). The TDP establish a set of procedures that the Trust will follow to review, process, and resolve the Asbestos Personal Injury Claims. See Plan at § IV.E.2; Trust Agreement; TDP (Plan Exhibit D).

15. In connection with the channeling of Asbestos Personal Injury Claims and Demands to the Trust, § VIII.C of the Plan contemplates the issuance of an Asbestos Personal Injury Channeling Injunction, which will enjoin all present and future Holders of Asbestos Personal Injury Claims from taking any action for the purpose of directly or indirectly recovering on such Asbestos Personal Injury Claims from the Debtors or the other Protected Parties identified in the Plan.

16. I believe that the issuance of the Asbestos Personal Injury Channeling Injunction under the Plan is necessary to secure the contributions to the Trust by the Debtors and the other Protected Parties.

17. The scope of the Asbestos Personal Injury Channeling Injunction and the issue of who would be included among the Protected Parties were the subject of extensive negotiations by and between the Asbestos Claimants Committee and me, on the one hand, and representatives of the entities who ultimately would become Protected Parties, on the other.

18. The release of the Intercompany Claims by the Non-Debtor Affiliates, and the assignment, transfer, and conveyance of the other Asbestos Personal Injury Trust Assets to the Trust on the Effective Date supports the imposition of the Asbestos Personal Injury Channeling Injunction in favor of all of the Protected Parties as of the Effective Date.

19. The Debtors have disclosed the identity and affiliations of the initial sole director and officer of the Reorganized Debtors, Sherman K. Edmiston III, in Exhibit M to the Plan that was filed with the Plan Supplement. I participated in the selection of Mr. Edmiston along with

the Asbestos Claimants Committee, and based on the due diligence conducted by YCST and me, I have determined that having Mr. Edmiston continue as the sole director and officer of the Reorganized Debtors will benefit the Holders of Claims and Interests.

20. It is my belief that Section 6.5 of the TDP appropriately protects the privacy interests of Maremont's asbestos claimants, who are generally sick and dying individuals, or their survivors. To receive payment from a settlement trust, claimants must submit non-public personal information of the kind that is protected from disclosure under federal and state law, including the Bankruptcy Code. The confidentiality provisions are consistent with the Bankruptcy Code and, in my opinion, in the best interests of Future Claimants. Making available to parties not involved in the administration of this trust a database of sick, elderly, and vulnerable individuals who just received payments from an asbestos trust puts those individuals at risk for identity theft and other predatory schemes, such as senior scams and phishing scams. Notwithstanding, the Trust will disclose the contents of a claimant's submission with the consent of the claimant and/or in response to a valid subpoena.

21. In addition, Section 6.3 of the TDP, which permits a claimant to file a claim with the Trust and then (1) withdraw and subsequently refile the claim without affecting its status for statute of limitation purposes, or (2) defer processing of the claim for up to two (2) years, provides practical claims-processing benefits for the Trust, as well as for Future Claimants. In my experience with other trusts, claimants facing a statute of limitations deadline will, understandably, file an incomplete claim to preserve a potential recovery. Without withdrawal and deferral provisions like Section 6.3, however, the incomplete claim will remain as a "filed claim" with the Trust, even though in many cases the necessary exposure evidence will never be obtained. The withdrawal and deferral provisions lighten the administrative burden of carrying such claims as filed claims with the Trust.

The Trust does not, for example, have to process the claim and issue a deficiency notice; instead, the Trust has the equivalent of an “inactive docket” or tolling provision for claims that are not ripe.

**IV. Section 524(g) Requirements**

22. Based on my previous and ongoing experience, I am familiar with the requirements of section 524(g) of the Bankruptcy Code. I believe that the Plan complies with the requirements set forth in section 524(g) of the Bankruptcy Code for the Bankruptcy Court to issue the Asbestos Personal Injury Channeling Injunction.

**A. The Trust will assume the asbestos-related liabilities of the Debtors.**

23. Section 524(g) requires that a trust be created to assume liability for a debtor’s asbestos-related torts before a court may order an injunction to supplement a plan’s discharge injunction. As noted above, the Plan provides for the creation of the Asbestos Personal Injury Trust, which will assume liability for all Asbestos Personal Injury Claims and will use the Asbestos Personal Injury Trust Assets to resolve and, if eligible, compensate the holders of Asbestos Personal Injury Claims. See Plan at § IV.E.2; Trust Agreement at § 1.2.

**B. The Trust will be funded partially by the obligation of the Reorganized Debtors to make future payments to the Trust and, upon the occurrence of specified contingencies, the majority of the common stock of the Reorganized Debtors.**

24. Section 524(g)(2)(B)(i)(II) requires that a trust be funded, in part, by the obligation of a reorganized debtor to make future payments to the trust that would enable the trust to own, upon the occurrence of specified contingencies, the majority of the voting shares of the reorganized debtor.

25. The Plan provides that on the Effective Date, all right, title, and interest in and to the Asbestos Personal Injury Trust Assets, and any proceeds thereof, including the Meritor Contribution and the Maremont Contribution, shall be automatically, and without further act or

deed, transferred to, vested in and assumed by the Asbestos Personal Injury Trust. Further, the Trust will own all of the Reorganized Maremont Stock as of the Effective Date. See Plan at § IV.I.

**C. The Debtors are likely to be subject to substantial Demands, the amounts, number, and timing of which cannot be determined.**

26. Relief under section 524(g) of the Bankruptcy Code is available upon a determination by the bankruptcy court that the debtor likely will continue to be subject to substantial future demands for payment arising out of the same or similar conduct or events that gave rise to the claims that are addressed by the supplemental injunction. Section 524(g) also requires the court to find that the actual amounts, numbers, and timing of such future demands against the debtor cannot be determined.

27. Because of the lengthy and unpredictable latency periods associated with various asbestos diseases, I believe that it is impossible to predict with certainty the actual amounts, numbers, timing, or extent of future Demands. However, based upon my experience, my knowledge of asbestos epidemiology, in consultation with the FCR Professionals, and my review of the Debtors' asbestos claim history, I believe the Debtors likely will be subject to substantial Demands.

**D. Pursuit of Demands outside of the Trust will threaten the Plan's ability to deal equitably with such Demands.**

28. If the Holders of asbestos-related Demands pursue such Demands outside of the TDP, then such Demands would need to be litigated in the tort system on an individual basis. Distributions to creditors would most likely be delayed, and due to the costs of litigation, the funds actually available for distribution to creditors and Demand holders may be reduced substantially. Moreover, the relief available would likely be inconsistent.

Further, a substantial portion of the Debtors' aggregate liability for Asbestos Personal Injury Claims likely relates to Demands, and estimates of the predicted liability for such Demands may vary widely. Because of the uncertainties inherent in litigation and the limited resources of the Debtors, holders of asbestos-related Demands would almost certainly obtain inconsistent awards and disparate recoveries. In addition to obtaining inconsistent results in the tort system, holders of earlier asserted Demands might be paid in full as the Demands are settled or liquidated in the tort system while holders of later Demands may be paid less or go unsatisfied altogether. Accordingly, equitable treatment of both holders of Asbestos Personal Injury Claims and Future Demand Holders depends on all claimants being subject to the same rules and procedures as provided under the terms of the Trust Agreement and the TDP.

**E. The terms of the Asbestos Personal Injury Channeling Injunction are fully set forth in the Plan and the Disclosure Statement.**

29. As part of the confirmation process in these Chapter 11 Cases, the Debtors included the terms of the Asbestos Personal Injury Channeling Injunction, including any provisions barring actions against third parties (including, for example, the Protected Parties), in conspicuous language in both the Plan and the Disclosure Statement. See Plan at § VIII.C; Disclosure Statement at 47–48. I negotiated with the Debtors and the Asbestos Claimants Committee to provide extensive description of such terms in the Plan and Disclosure Statement.

**F. The Trust will treat present Asbestos Personal Injury Claims in substantially the same manner.**

30. I believe that the Trust will be in a position to pay present Asbestos Personal Injury Claims and Demands that involve similar claims in substantially the same manner. To ensure this result, YCST and I engaged in negotiations with the Asbestos Claimants Committee over the terms of the Trust Agreement and the TDP.

31. The TDP are a set of guidelines that the Trust will use to receive, process, and resolve Asbestos Personal Injury Claims. The processes set forth in the TDP provide reasonable assurance that the Trust will value, and be in a financial position to pay, Asbestos Personal Injury Claims that involve similar claims in substantially the same manner. See Plan at § IV.E.2; TDP at §§ 1.1, 2.1.

32. The TDP further the goal of treating all beneficiaries of the Trust equitably by setting forth procedures for processing and paying the Debtors' several share of the unpaid portion of the liquidated value of Asbestos Personal Injury Claims generally on an impartial, first-in-first-out basis, with the intention of paying all claimants over time as equivalent a share as possible of the value of their claims based on historical values for substantially similar claims in the tort system.

33. Because of the nature of certain of the Debtor Products Lines, the vast majority of asbestos-related claims asserted against Maremont and MEP were asserted by either professional auto mechanics ("Occupationally Exposed Claims") or individual auto enthusiasts who worked on maintenance and upgrades to automobiles at home ("Shade Tree Mechanic Claims"). Based on the Debtors' settlement history and to preserve the limited assets for the benefit of claimants with the most severe diseases, the Trust will only pay claimants with malignant diseases and severe asbestosis, and the TDP allocate 90% of funds to be paid to claimants with mesothelioma. The TDP establish a schedule for five (5) asbestos-related diseases, which have presumptive medical and exposure requirements and specific liquidated values (the "Scheduled Values"). The disease levels, medical and exposure criteria, and scheduled values, all have been selected and derived with the intention of achieving a fair allocation of the Trust funds to claimants suffering from different diseases. And were selected and derived, in light of the best available

information, including thorough financial analysis and projections prepared by the FCR Professionals, and considering the settlement history of the Debtors and the rights claimants would have in the tort system absent these Chapter 11 Cases. See TDP at § 2.1.

34. Requiring evidence that will satisfy the medical and exposure criteria set forth in the TDP is the principal mechanism by which meritorious claims will be distinguished from claims lacking merit and more serious claims from those that are less serious. Every dollar the Trust spends on a non-meritorious or less serious claim represents one less dollar the Trust otherwise would have to pay a future meritorious or more serious claim. Accordingly, it was critically important to me that the TDP be formulated to provide for the payment of Asbestos Personal Injury Claims based only on certain diseases, primarily malignant claims, and to those claims that provide evidence of the type of exposure patterns that were required by the Debtors for payment of claims in the tort system based on the specialized nature of the Debtors' products. Given the limited resources of the Asbestos Personal Injury Trust, the TDP has been simplified to reduce processing complexity and costs. One of those simplifications was the decision to process all claims, with the exception of Shade Tree Mechanic Claims seeking "extraordinary claims" status, under Expedited Review. Because the values available in Expedited Review assume exposures to asbestos-containing products of others, there is simply no purpose for the Trust to obtain information about claimants' asbestos exposure beyond exposure to the Debtor Product Lines.

35. After the Trust has determined the liquidated value of an Asbestos Personal Injury Claim pursuant to the procedures set forth in the TDP, the Trust shall pay the claimant a pro-rata share of that value based on the then-current Payment Percentage (as defined in the Trust TDP) for such claims. See TDP at § 2.3.

36. The Initial Payment Percentage shall be 29.1%.<sup>4</sup> The Initial Payment Percentage was selected and derived based on financial analysis and projections prepared by the FCR Professionals and in negotiation with the Asbestos Claimants Committee. The Payment Percentage can be adjusted upwards or downwards by the Asbestos Personal Injury Trustee with the consent of the Trust Advisory Committee and the Post-Effective Date Future Claimants' Representative (which will be me initially) to assure that the Trust shall be in a financial position to pay holders of unliquidated and/or unpaid Asbestos Personal Injury Claims in substantially the same manner. Furthermore, the TDP and Trust require the Asbestos Personal Injury Trustee to re-evaluate the Payment Percentage no less frequently than once every two (2) years to assure that it is based on accurate, current information. The TDP thus provides the Trust with the flexibility to modify the Payment Percentage over time based upon updated information on the number, types, and values of present and future Asbestos Personal Injury Claims, the value of the assets then available to the Asbestos Personal Injury Trust, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of the full value to all holders of Asbestos Personal Injury Claims. See Trust TDP at § 4.2.

37. Further, the TDP imposes maximum annual payments, which limit the amount of distributions that the Trust can make in a year in order to manage the cash flow of the Trust.

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<sup>4</sup> The current initial payment percentage assumes initial funding of not less than \$58 million. The Trust will be funded by the contribution of the Asbestos Personal Injury Trust Assets, which include: (A) \$8 million under the settlement between FFIC and the Debtors, and the (B) all Cash and cash equivalents held by the Debtors as of the Effective Date after giving effect to the Intercompany Loan Payment and the Settlement Payment, less the Effective Date Payment, the Reserve Funds, and the Effective Date Working Capital, (C) the Intercompany Loan Payment—pursuant to which Meritor owed Maremont approximately \$20 million as of the Petition Date, and (D) the Settlement Payment in Cash by Meritor to Maremont in the amount of \$28 million; (E) an income-producing commercial property in Grand Blanc, Michigan, which was valued at approximately \$1.4 million as of October 2018 and is a Dollar General store leased under a 15-year triple-net that generates approximately \$91,000 in annual revenue; (F) all other assets, rights, and benefits assigned, transferred, or conveyed to the Trust in connection with the Plan or any Plan Documents, including, without limitation, the Reorganized Maremont Stock; and (G) all proceeds of the foregoing. See Plan §§ IV.B.1, IV.B.2, IV.C, IV.E, and IV.I.

Here the Trust will utilize two maximum annual payments, one for Occupationally Exposed Claims (the “Occupational MAP”) and one for Shade Tree Mechanic Claims (the “Shade Tree MAP”), which will be based on models of cash flow, principal and income year-by-year to be paid over the life of the Trust to provide reasonable assurance that present and future holders of Asbestos Personal Injury Claims are compensated at the same payment percentage. In order to protect the Asbestos Personal Injury Trust’s corpus and provide the Trust with the flexibility to adjust the Occupational MAP and/or re-evaluate the payment percentage, the TDP also mandates that at the point in time that the Occupational MAP is reached, the Trust must stop issuing offers and releases. Further, all approved Shade Tree Mechanic Claims are (1) only paid at the end of each year and (2) paid the lesser of the pro rata share of the Shade Tree MAP or the liquidated values established by the Trust, each subject to the Payment Percentage.

38. The TDP utilizes a number of mechanisms to prevent payment of illegitimate claims, including imposition of a \$100 filing fee, (TDP § 6.4), and requiring the Trust to implement an audit program, (TDP § 5.8).

39. Based on the due diligence conducted by the FCR Professionals and me, as well as my own experience as the Future Claimants’ Representative in these Chapter 11 Cases and others, and considering the structure of the Trust Agreement and the TDP described above, I believe that the Trust Agreement and the TDP will ensure that Future Demand Holders will be treated in substantially the same manner as Holders of similar Asbestos Personal Injury Claims regardless of the timing of the assertion of such Claims.

**G. The issuance of the Asbestos Personal Injury Channeling Injunction is fair and equitable to Future Demand Holders.**

40. Pursuant to the Plan, the Protected Parties protected by the Asbestos Personal Injury Channeling Injunction are any (i) Debtor, (ii) Reorganized Debtor, (iii) Meritor Related

Parties, (iv) Settling Insurer, or (v) Representative of any of the parties included in (i) through (iv) or successor-in-interest of any of the parties included in (i) through (iv), in each case that is not a Non-Indemnified Party. See Plan at § I.A.126.

41. The Debtors and Meritor, on behalf of themselves and other Protected Parties, are contributing substantial assets to the Asbestos Personal Injury Trust. See Plan §§ I.A.91, I.A.92, I.A.98, IV.B. Absent the Plan, the Trust and the Asbestos Personal Injury Channeling Injunction, it is far from clear what, if any assets, would be available to pay Future Demand Holders I believe that receipt of the benefit of the Asbestos Personal Injury Channeling Injunction by all of the Protected Parties is fair and equitable with respect to persons that might assert Demands as required by section 524(g) of the Bankruptcy Code.

42. Based upon my involvement and due diligence in these Chapter 11 Cases, it is my belief that the funding and structure of the Trust serves the interests of Future Demand Holders. I also am confident that the structure of the Trust and the TDP ensures that funds will be available to satisfy Asbestos Personal Injury Claims where, absent the Trust and considering the Debtors' limited resources, there otherwise would be no assurance that the Debtors would have any ability to continue to satisfy such Asbestos Personal Injury Claims and Demands. Based upon my own experience and personal knowledge of the facts of these Chapter 11 Cases and the terms of the Plan and the other Plan Documents, I believe that the Plan provides reasonable assurance that Future Demand Holders will be treated substantially similarly to holders of current Asbestos Personal Injury Claims involving similar claims. Specifically, as I noted above, the Plan Documents provide for mechanisms (including, among other things, structured, periodic, or supplemental payments, (TDP §§ 4.3 and 5.3(a)(3)); pro rata distributions (TDP § 5.3(a)); matrices (TDP § 5.3(a)(3)); periodic review of estimates and numbers and values

of Asbestos Personal Injury Claims, (TDP §§ 4.1, 4.2) ; and periodic adjustment of the Payment Percentage, (TDP § 4.3), that will help ensure that the Trust will value and be in a financial position to pay Asbestos Personal Injury Claims that involve similar claims in substantially the same manner.

43. Finally, I believe that the Plan is fair and equitable with respect to persons that might assert Demands in light of benefits provided to the Trust by or on behalf of the Debtors and the other Protected Parties.

*[The remainder of this page is intentionally left blank. Signature page follows.]*

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: March 12, 2019  
Wilmington, Delaware

/s/ James L. Patton, Jr.  
James L. Patton, Jr.  
Future Claimants' Representative