

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT,
INC., AND IMERYYS TALC CANADA INC. (THE "DEBTORS")**

**APPLICATION OF IMERYYS TALC CANADA INC., UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**MOTION RECORD
(Re: RECOGNITION MOTION)
(Returnable July 3, 2020)**

June 30, 2020

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Lawyers for the Applicant

TO: ATTACHED SERVICE LIST

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT, INC.,
AND IMERYS TALC CANADA INC.**

**APPLICATION OF IMERYS TALC CANADA INC., UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**SERVICE LIST
(March 30, 2020)**

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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT,
INC., AND IMERYYS TALC CANADA INC. (THE "DEBTORS")**

**APPLICATION OF IMERYYS TALC CANADA INC., UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

I N D E X

TAB	DOCUMENT
1.	Notice of Motion, returnable July 3, 2020
2.	Affidavit of Anthony Wilson, sworn June 29, 2020
A.	<i>Exhibit A</i> : Plan
B.	<i>Exhibit B</i> : Disclosure Statement
C.	<i>Exhibit C</i> : Draft Bidding Procedures Order
D.	<i>Exhibit D</i> : PJT Order
3.	Draft Order

TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
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**APPLICATION OF IMERYYS TALC CANADA INC., UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**NOTICE OF MOTION
(Re: Bidding Procedures Order)
(Returnable July 3, 2020)**

The Applicant, Imerys Talc Canada Inc. ("ITC"), will make a motion to a judge presiding over the Commercial List on July 3, 2020 at 10:00 a.m., or as soon after that time as the motion can be heard by videoconference due to the COVID-19 crisis. The videoconference details can be found in Schedule "A" to this Notice of Motion. Please advise Nicholas Avis if you intend to join the hearing of this motion by emailing navis@stikeman.com.

PROPOSED METHOD OF HEARING:

The motion is to be heard orally by videoconference.

THE MOTION IS FOR:

1. An order recognizing and enforcing in Canada the following orders of the United States Bankruptcy Court for the District of Delaware (the "**US Court**") made in the insolvency proceedings of the Debtors under Chapter 11 of Title 11 of the United States Bankruptcy Code:
 - (a) an order to be made and dated June 30, 2020 (i) authorizing and approving bidding procedures (the "**Bidding Procedures**") for the sale (the "**Sale**") of all or substantially all of the Debtors' assets (collectively, the "**Assets**"), (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases and the determination of amounts necessary to cure all monetary defaults thereunder, (iii) establishing procedures in connection with the selection of a Stalking Horse Bidder, if any, and protections to be afforded

thereto, (iv) scheduling an auction of the Assets for September 29, 2020, (v) scheduling a hearing to consider approval of any Sale to be held on October 14, 2020, (vi) approving the form and manner of notice in connection with the foregoing, and (vii) granting related relief (the “**Bidding Procedures Order**”); and

- (b) an order dated February 25, 2020 (i) authorizing the employment and retention of PJT Partners LP (“**PJT**”) as their investment banker *nunc pro tunc* to November 7, 2019, and (ii) waiving certain informational requirements of Local Rule 2016-2 in connection therewith (the “**PJT Order**”).

THE GROUNDS FOR THE APPLICATION ARE:

1. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Affidavit of Anthony Wilson, sworn June 29, 2020 (the “**Wilson Affidavit**”);

Generally

2. The Debtors are market leaders with respect to talc production in North America, representing nearly 50% of the market;
3. On February 13, 2019, the Debtors commenced the US Proceedings by filing voluntary petitions under Chapter 11;
4. On February 14, 2019, the US Court made various orders in the US Proceedings (the “**First Day Orders**”), including an order authorizing ITC to act as foreign representative of the US Proceedings and an order placing the Debtors under joint administration in the US Proceedings;
5. On February 20, 2019 this Court made an initial recognition order declaring ITC the foreign representative as defined in section 45 of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) and a supplemental order recognizing the First Day Orders of the US Court;

The Plan

6. The Debtors’ stated purpose of the Chapter 11 Cases is to confirm a plan of reorganization to maximize the value of the Debtors’ assets for the benefit of all

stakeholders and include a trust mechanism to address Talc Personal Injury Claims in a fair and equitable manner;

7. The Debtors filed their Plan and the related Disclosure Statement on May 15, 2020 with the US Court;
8. The Plan contemplates that:
 - (a) the Debtors will sell substantially all of their assets to one or more purchaser(s);
 - (b) in the event the Plan is accepted by the requisite number of holders of Talc Personal Injury Claims, ITI will commence a chapter 11 bankruptcy proceeding to be jointly administered (subject to Court approval) with the Chapter 11 Cases prior to the Confirmation Hearing;
 - (c) the Equity Interests in the Debtors will be cancelled, and on the Effective Date, Equity Interests in the Reorganized North American Debtors will be authorized and issued to the Talc Personal Injury Trust; and
 - (d) the Equity Interests in ITI will be reinstated following the Effective Date;
9. Additionally, Imerys has agreed to make, or cause to be made, a contribution of cash and other assets to the Talc Personal Injury Trust to obtain the benefit of certain releases and a permanent channelling injunction that bars the pursuit of Talc Personal Injury Claims against the Protected Parties;
10. The Tort Claimants' Committee, FCR and Imerys S.A. and its affiliates all support the Plan;

The Bidding Procedures Order

11. The Debtors developed the Bidding Procedures to facilitate the Sale, which is a core component of the Plan;
12. The Bidding Procedures Order, among other things, ensures that the Debtors have the necessary flexibility to run a value-maximizing sale process that is structured to attract competitive bids and maximize bidder interest in the Debtors' assets;

13. By selling substantially all of their assets, the Debtors believe that they will maximize the value of their estates, which will result in more funds available for the Debtors' key stakeholders;
14. The proceeds of any sale will go towards the Talc Personal Injury Trust;

The PJT Order

15. The PJT Order, among other things, authorizes the Debtors to employ and retain PJT as their investment banker, *nunc pro tunc* to November 7, 2019;
16. PJT is a leading advisor to companies and creditors in a variety of complex restructurings and bankruptcies;
17. The services that PJT has provided and will continue to provide to the Debtors are necessary to enable the Debtors to maximize the value of their estates;

Other Grounds

18. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;
19. The provisions of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, including r. 2.03, 3.02, 16, 17 and 37 thereof; and
20. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

21. The Wilson Affidavit (which was sworn via videoconference and signed using e-signatures due to the Covid-19 pandemic);
22. The Bidding Procedures Order to be entered by the US Court, a draft copy of which is attached to the Wilson Affidavit;
23. The PJT Order entered by the US Court, a copy of which is attached to the Wilson Affidavit;

24. The Seventh Report of the Information Officer, to be filed; and
25. Such further and other materials as counsel may advise and this Honourable Court may permit.

June 30, 2020

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Lawyers for the Applicant

Schedule "A"

Zoom Coordinates

July 3, 2020 10:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/92476923141?pwd=TnVZcERodExybHZHSTlpTVZyVXVTQT09>

Meeting ID: 924 7692 3141

Password: 302523

One tap mobile

+17789072071,,92476923141#,,1#,302523# Canada

+14388097799,,92476923141#,,1#,302523# Canada

Dial by your location

+1 778 907 2071 Canada

+1 438 809 7799 Canada

+1 587 328 1099 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

+1 646 876 9923 US (New York)

Meeting ID: 924 7692 3141

Password: 302523

Find your local number: <https://zoom.us/u/acYt6Hdny3>

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT, INC., AND IMERYYS TALC CANADA INC. (THE "DEBTORS")
APPLICATION OF IMERYYS TALC CANADA INC. UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No: CV-19-614614-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(Returnable July 3, 2020)**

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Lawyers for the Applicant

TAB 2

Court File No. CV-19-614614-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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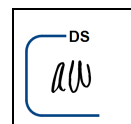
**APPLICATION OF IMERYYS TALC CANADA INC., UNDER SECTION 46 OF THE
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**AFFIDAVIT OF ANTHONY WILSON
(Sworn June 29, 2020)**

I, Anthony Wilson, of the City of San Jose, in the State of California, United States of America (the "**US**"), MAKE OATH AND SAY:

1. I am the Treasurer and Director of Finance of Imerys Talc America, Inc. ("**ITA**"), Imerys Talc Vermont, Inc. ("**ITV**"), and Imerys Talc Canada Inc. ("**ITC**", and together with ITA and ITV, the "**Debtors**"). I began working with the Imerys Group (as defined below) in 2012, and have served in various roles, including as Vice President of the Debtors before appointment to my current role. I have served as Treasurer for each of the Debtors since July 1, 2019. I am authorized to submit this Affidavit on behalf of the Debtors.
2. In my role as Treasurer and Director of Finance, I am responsible for overseeing the day-to-day operations and financial activities of the Debtors, including, but not limited to, monitoring cash flow, business relationships, and financial planning. As a result of my role and tenure with the Debtors, my review of public and non-public documents, and my discussions with other members of the Debtors' management team, I either have personal knowledge or am generally familiar with the Debtors' businesses, financial condition, policies, and procedures, day-to-day operations, and books and records. Except as otherwise noted, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from the Debtors' employees or retained advisers that report to me in the ordinary course of my responsibilities.

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3. I swear this affidavit in support of ITC's motion pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "**CCAA**"), for an order granting certain relief, including recognizing the Bidding Procedures Order and the PJT Order (as such terms are defined below) in respect of the jointly administered proceeding of the Debtors under title 11 of the *United States Code* (the "**US Bankruptcy Code**").
4. All capitalized terms not otherwise defined herein are as defined in the proposed *Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 1714] (the "**Plan**"), or the previous affidavits filed with the Court including the First Picard Affidavit sworn February 15, 2019, the Second Picard Affidavit sworn March 28, 2019, the Third Picard Affidavit sworn May 15, 2019, the First Wilson Affidavit sworn July 31, 2019, the Second Wilson Affidavit sworn October 22, 2019, the Third Wilson Affidavit sworn November 26, 2019, and the Fourth Wilson Affidavit sworn March 27, 2020.

I. OVERVIEW

5. The Debtors are three debtors-in-possession in the Chapter 11 Cases (as defined below) commenced before the United States Bankruptcy Court for the District of Delaware (the "**US Court**").
6. The Debtors are in the business of mining, processing, selling, and/or distributing talc. The Debtors operate talc mines, plants, and distribution facilities in Montana, Vermont, Texas and Ontario. ITA and ITV sell talc directly to their customers as well as to third party and affiliate distributors. ITC exports the vast majority of its talc into the United States almost entirely on a direct basis to its customers.
7. The Debtors are directly or indirectly owned by Imerys S.A. ("**Imerys**"). Imerys is a French corporation that is the direct or indirect parent entity of over 360 affiliated entities (the "**Imerys Group**"). The Debtors were acquired by the Imerys Group in 2011 when Rio Tinto America, Inc. and certain affiliates sold their talc operations to the Imerys Group. Currently, none of the other entities in the Imerys Group have sought protection under the US Bankruptcy Code or any other insolvency law.
8. On February 13, 2019 (the "**Petition Date**"), the Debtors filed voluntary petitions (collectively, the "**Petitions**" and each a "**Petition**") for relief under chapter 11 of the US

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Bankruptcy Code (the “**Chapter 11 Cases**”) with the US Court (the “**US Proceeding**”). The Debtors initiated the Petitions in response to a proliferation of lawsuits claiming that one or more of the Debtors were responsible for personal injuries allegedly caused by exposure to talc (each claim, as more fully defined in the Plan, a “**Talc Personal Injury Claim**”). At the time of the Petition Date, the Debtors were named as defendants in approximately 14,650 pending lawsuits.

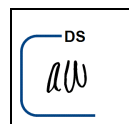
9. The Debtors maintain that their talc is safe and that the Talc Personal Injury Claims are without merit. Nevertheless, the sheer number of alleged talc-related claims combined with the state of the U.S. tort system led to overwhelming projected litigation costs (net of insurance) that the Debtors were unable to sustain over the long-term, leading to the need for the Petitions to protect the Debtors’ estates and preserve value for all stakeholders.
10. On February 14, 2019, the US Court entered various orders in the US Proceeding (the “**First Day Orders**”), including an order authorizing ITC to act as foreign representative on behalf of the Debtors’ estates in any judicial or other proceedings in Canada and an order placing the Chapter 11 Cases under joint administration in the US Proceeding. Since February 14, 2019, the US Court has made various orders that are described in greater detail in prior affidavits filed by the Debtors in this proceeding.
11. On February 20, 2019, this Court made an initial recognition order declaring ITC the foreign representative as defined in section 45 of the CCAA and a supplemental order recognizing the First Day Orders and appointing Richter Advisory Group Inc. as the Information Officer.

II. GENERAL INFORMATION ON THE IMERYS GROUP AND THE CHAPTER 11 CASES AND THE CCAA PROCEEDINGS

(a) The Debtors’ Assets and Liabilities

12. As detailed in the Disclosure Statement (defined below), the Debtors’ assets as of March 31, 2020, primarily consist of:
 - a) cash on hand (in the approximate amount of \$19.8 million) and accounts receivable (approximately \$22.9 million);

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- b) intercompany loans: ITA has an outstanding loan receivable from Imerys USA in the approximate amount of \$17 million, and ITV has an outstanding loan receivable from Imerys USA in the approximate amount of \$3 million. ITC holds an outstanding loan due and payable from Imerys in the approximate amount of \$2.7 million;
 - c) insurance assets and indemnification rights: the Debtors estimate that the amount of the aggregate insurance available is material, but the realizable value of such coverage is subject to any number of factors, including, without limitation, the solvency of the insurers and the outcome of existing and any future coverage disputes. In addition, the Debtors believe that Talc Personal Injury Claims related to the Debtors' sale of talc to J&J are subject to uncapped indemnity rights against J&J under certain stock purchase and supply agreements.
 - d) other assets, including inventory (approximately \$27.6 million), machinery and equipment (approximately \$37.5 million), mining assets (approximately \$13 million), and land and buildings (approximately \$5.5 million).
13. The Debtors' most significant liabilities are the numerous Talc Personal Injury Claims asserted against them, which the Debtors maintain are without medical or scientific merit. As of the Petition Date, approximately 14,650 claims were still pending.
14. The Debtors are not party to any secured financing arrangements, public debt offerings or any third-party credit facilities and have instead relied on positive cash flows generated by their operations to run their businesses and fund the Chapter 11 Cases. The Debtors did not seek debtor-in-possession financing during the Chapter 11 Cases.

(b) US Court Orders

15. The Debtors have been actively pursuing their restructuring efforts in the United States. Since my last affidavit sworn March 27, 2020, the US Court has entered the following orders:
- a) *Second Amended Order Appointing Mediator*, filed on March 30, 2020 [Docket No. 1591]. This order amended previous orders that, among other things, appointed a mediator and established mediation procedures;

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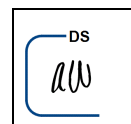


- b) *Order Approving Ordinary Course Year-End Bonus Payments for Certain Employees Under Sections 105(a), 363 and 503 of the Bankruptcy Code*, entered on April 9, 2020 [Docket No. 1617]. This order, among other things, approved ordinary course year-end bonus payments to certain employees of the Debtors pursuant to the Imerys Annual Incentive Plan;
 - c) *Order Further Extending Debtors' Current Exclusive Periods Within Which to File a Chapter 11 Plan and to Solicit Acceptances Thereof*, entered on May 5, 2020 [Docket No. 1694]. This order, among other things, extended the exclusive period in which the Debtors are eligible to file a chapter 11 plan through and including June 5, 2020;
 - d) *Order Approving Debtors' Revised Key Employee Incentive Program*, entered on June 1, 2020 [Docket No. 1787]. This order, among other things, authorized the implementation of a revised key employee incentive program and approved the terms thereof; and
 - e) *Order Further Extending Debtors' Current Exclusive Periods Within Which to File a Chapter 11 Plan and to Solicit Acceptances Thereof*, entered on June 26, 2020 [Docket No. 1942]. This order, among other things, further extended the exclusive period in which the Debtors are eligible to file a chapter 11 plan through and including August 13, 2020.
16. At this time, the Debtors are not seeking to recognize any of the above-mentioned orders.

(c) Claims Process Update

17. On August 7, 2019, this Court recognized the Bar Date Order which established October 15, 2019 as the date by which all persons or entities that wish to assert a claim against the Debtors that arose prior to the Petition Date but excluding any "Talc Claims" (as defined in the General Bar Date Order) (a "**General Claim**") had to file a proof of claim in accordance with the procedures and subject to the limitations described therein.
18. On December 3, 2019, this Court recognized the Indirect Talc Claims Bar Date Order (as defined in my affidavit sworn November 26, 2019), which authorized the Debtors to establish January 9, 2020 as the date by which all persons or entities that wish to assert

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Indirect Talc Claims (as defined in the Talc Claims Bar Date Order) against the Debtors had to file a proof of claim in accordance with the procedures and subject to the limitations described therein. The Indirect Claims Bar Date applies to all creditors holding Indirect Talc Claims against the Debtors that arose, or are deemed to have arisen, prior to the Petition Date, except as provided in the Indirect Talc Claims Bar Date Order.

19. On February 28, 2020, the Debtors filed their first omnibus (non-substantive) objection to certain amended claims and duplicative claims (the “**First Claim Objection**”). The First Claim Objection sought authority to disallow, expunge, and/or modify the amended claims and duplicative claims identified in the First Claim Objection. The amended claims were claims that have been amended and superseded by subsequently-filed proofs of claim. The duplicative claims were claims believed to have been erroneously filed twice in the same amount against the same Debtor. Failure to disallow such claims would entitle claimants to receive a double recovery against the Debtors to the detriment of other unsecured creditors. An order approving the First Claim Objection was entered by the U.S. Court on April 8, 2020.
20. On May 29, 2020, the Debtors filed their second omnibus (substantive) objection to certain no liability claims and overstated claims (the “**Second Claim Objection**”). The Second Claim Objection sought authority to disallow and/or modify certain claims identified in the Second Claim Objection. The no liability claims were claims where the Debtors determined that there is no amount due and owing on account of such claims. The overstated claims were claims where the Debtors determined that the claims were filed for amounts that differ from and are greater than the amounts reflected in their books and records. Failure to disallow or modify such claims would entitle claimants to receive recovery against the Debtors even though these claimants are not entitled to such recovery.
21. On May 29, 2020, the Debtors also filed their third omnibus (non-substantive) objection to amended claims (the “**Third Claim Objection**”). The Third Claim Objection sought authority to disallow, expunge, and/or modify the amended claims identified in the Third Claim Objection. The amended claims were claims that have been amended and superseded by subsequently-filed proofs of claim. Failure to disallow such claims would entitle claimants to receive a double recovery against the Debtors to the detriment of other unsecured creditors.

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22. On the same date, the Debtors filed a motion (the “**Classification Motion**”) seeking (i) confirmation of the classification of certain claims filed in the US Proceeding identified on Schedule 1 to the motion as Talc Personal Injury Claims under the Plan and (ii) authorization to expunge such Filed Talc Claims (as defined in the Classification Motion) from the claims register upon the Effective Date of the Plan.
23. The Debtors continue to review and analyze the proofs of claim filed to date and reconcile these proofs of claim with the Debtors’ scheduled claims. To this end, the Debtors (or their reorganized successors, as applicable), have filed and will file objections and seek stipulations with respect to certain claims. Moreover, certain parties may attempt to file additional claims notwithstanding the passage of the General Bar Date and the Indirect Talc Claim Bar Date and seek allowance of such claims by the US Court. In addition, certain existing claims may be amended to seek increased amounts. Accordingly, the Debtors do not presently know and cannot reasonably determine the actual number and aggregate amount of the Claims that will ultimately be allowed against the Debtors.
24. All Allowed Non-Talc Claims other than Non-Debtor Intercompany Claims are expected to be paid in full under the Plan.
25. The Plan contemplates that all Talc Personal Injury Claims will be channelled to the Talc Personal Injury Trust (as defined below), where they will be resolved pursuant to the Trust Distribution Procedures. If the Plan is consummated, holders of Talc Personal Injury Claims will be enjoined from taking any action for the purpose of directly or indirectly or derivatively collecting, recovering, or receiving payment of, on, or with respect to any Talc Personal Injury Claim other than from the Talc Personal Injury Trust.

(d) Stipulation Order

26. On April 1, 2020, this Court recognized the ITC Stipulation. The effect of the ITC Stipulation was to alleviate ITA’s potential liquidity constraints, which were caused by ITA bearing the full costs of the Non-Debtor Professional Fees (as defined in the ITC Stipulation). The ITC Stipulation directed ITC, which benefits from ITA’s payment of the Non-Debtor Professional Fees, to make certain payments to ITA.
27. On account of these payments, ITC has been granted claims with superpriority status against ITA; *provided* that in the event the proposed Plan is confirmed, such superpriority

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claims shall be deemed satisfied in full without any payment required from ITA. Under the ITC Stipulation, ITA, ITC and the Information Officer have reserved all rights as to ITC's obligations to reimburse ITA on account of its payment of administrative expense claims.

III. THE PLAN & DISCLOSURE STATEMENT

(a) Background

28. The Debtors' stated purpose of the Chapter 11 Cases is to confirm a plan of reorganization that will maximize the value of the Debtors' assets for the benefit of all stakeholders and, include a trust mechanism to address Talc Personal Injury Claims in a fair and equitable manner.
29. The Debtors entered into extensive discussions regarding a potential plan of reorganization with the official committee of tort claimants in the Debtors' Chapter 11 Cases appointed by the United States Trustee ("**Tort Claimants' Committee**") and James L. Patton in his capacity as the legal representative for any and all persons who may assert a Talc Personal Injury Demand (the "**FCR**") following the Petition Date. As discussions matured, they focused on the development of a comprehensive settlement (the "**Imerys Settlement**") by and among the Tort Claimants' Committee, the FCR, the Debtors, Imerys, Imerys Talc Italy S.p.A. ("**ITI**") and the Non-Debtor Affiliates (the "**Plan Proponents**").
30. The Imerys Settlement, which is effectuated by the terms of the Plan, is the lynchpin of the Plan, paving the way for a consensual resolution of the Chapter 11 Cases and these CCAA proceedings. The Imerys Settlement secures a recovery for the benefit of the Debtors' creditors, additional valuable assets that will be provided to the Talc Personal Injury Trust, and a possibility for additional cash recovery by virtue of a potential sale of the Debtors' assets.

(b) The Plan

31. The Plan was filed with the US Court on May 15, 2020 [Docket No. 1714]. A copy of the Plan is attached as **Exhibit "A"** to this affidavit.
32. Along with the Plan, the Debtors also filed with the US Court on May 15, 2020 the *Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 1715]

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(the “**Disclosure Statement**”). A copy of the Disclosure Statement is attached as **Exhibit “B”** to this affidavit.

33. The Disclosure Statement is intended to provide stakeholders with adequate information to make an informed judgment about the Plan and determine whether to vote in favour of or against the Plan. Among other things, the Disclosure Statement contains an overview of the Plan and a description of the various classes eligible to vote, the Debtors’ operations, and the US Proceeding.
34. The Debtors have scheduled a hearing with the US Court on July 24, 2020 seeking an order, among other things, approving the Disclosure Statement and establishing the solicitation procedures for the Plan.

Overview of the Plan

35. The primary purpose of the Plan is to provide a mechanism to resolve the Talc Personal Injury Claims against the Debtors and the other Protected Parties pursuant to sections 524(g) and 105(a) of the US Bankruptcy Code. Specifically, under the terms of the Plan, all Talc Personal Injury Claims will be channelled by permanent injunction to a trust (the “**Talc Personal Injury Trust**”) established under sections 524(g) and 105(a) of the US Bankruptcy Code.
36. Non-Talc Claims and Equity Interests other than Non-Debtor Intercompany Claims and Equity Interests in the North American Debtors, are Unimpaired and will be paid in full. On the other hand, Non-Debtor Intercompany Claims and Equity Interests in the North American Debtors are Impaired and will receive no recovery pursuant to the Plan. Notwithstanding, holders of such Claims and Equity Interests are presumed to have accepted the Plan because all holders of Claims and Equity Interests in these Classes are Plan Proponents and have consented to their treatment under the Plan.
37. In addition, the Plan contemplates that ITI (currently a non-debtor) will file a Petition in the US Proceeding if the Plan is accepted by the requisite number of holders of Talc Personal Injury Claims. Accordingly, if approved, the Plan will provide for the permanent settlement of Talc Personal Injury Claims against ITI with the Talc Personal Injury Claims against the North American Debtors. Holders of Equity Interests in and Claims against ITI (other than

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holders of Talc Personal Injury Claims and Non-Debtor Intercompany Claims) will be Unimpaired.

38. In an effort to fully resolve the Talc Personal Injury Claims in a consensual manner, the Plan incorporates the Imerys Settlement. In accordance with the Imerys Settlement, the Plan contemplates, among other things, the following steps:
- a) the Debtors will commence a sale process to sell substantially all assets of the Debtors (the “**Sale**”) to one or more purchaser(s);
 - b) in the event the Plan is accepted by the requisite number of holders of Talc Personal Injury Claims, ITI (an affiliate of the Debtors that is not currently in bankruptcy, but has been named as a defendant in at least eight lawsuits alleging Talc Personal Injury Claims) will commence a chapter 11 bankruptcy proceeding to be jointly administered (subject to US Court approval) with the Chapter 11 Cases prior to the Confirmation Hearing;
 - c) the Equity Interests in the North American Debtors will be cancelled, and on the Effective Date, Equity Interests in the Reorganized North American Debtors will be authorized and issued to the Talc Personal Injury Trust; and
 - d) the Equity Interests in ITI will be reinstated following the Effective Date, with approximately 99.66% of such Equity Interests to be retained by Mircal Italia S.p.A., a Non-Debtor Affiliate, while 51% of the Equity Interests in Reorganized ITI will serve as security for the Talc PI Note (in the amount of US\$500,000) pursuant to the Talc PI Pledge Agreement.
39. Additionally, pursuant to the Imerys Settlement, Imerys has agreed to make, or cause to be made, a contribution of cash and other assets to the Talc Personal Injury Trust to obtain the benefit of certain releases and a permanent channelling injunction that bars the pursuit of Talc Personal Injury Claims against the Protected Parties. Imerys’ contribution will include, among other things, a cash contribution of at least \$75 million, and a further amount of up to \$102.5 million, subject to a reduction mechanism based on the amount of money generated from the Sale.

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40. On the Effective Date, the Talc Personal Injury Trust will receive the Talc Personal Injury Trust Assets (such assets include but are not limited to the Imerys Settlement Funds, insurance proceeds from specified insurance policies, and certain causes of action). The Talc Personal Injury Trust Assets will be used to resolve Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents, including the Trust Distribution Procedures. It is contemplated that the Trust Distribution Procedures will establish a methodology for resolution of Talc Personal Injury Claims, establish the process by which Talc Personal Injury Claims will be reviewed by the Talc Personal Injury Trust, and specify liquidated values for compensable claims based on the disease underlying the claim.
41. The Tort Claimants' Committee, FCR and Imerys S.A. and its affiliates all support the Plan.

Creditor Classes

42. There are seven Classes of claims and Equity Interests under the Plan. Each of these Classes and their proposed treatment under the Plan are summarized in the following table. Where a Class is Unimpaired, it is presumed to accept the Plan and is therefore not eligible to vote. Unimpaired claims will be paid in full.

Class	Class Description¹	Treatment
Class 1 Priority Non-Tax Claims	Certain claims entitled to priority pursuant to section 507(a) of the US Bankruptcy Code	Unimpaired
Class 2 Secured Claims	Includes claims secured by a Lien on property in which a particular Estate has an interest, claims subject to setoff pursuant to section 553 of the US Bankruptcy Code, and claims allowed as secured pursuant to the Plan or any Final Order as a secured Claim	Unimpaired
Class 3a Unsecured Claims against the North American Debtors	Includes certain claims against the North American Debtors that are not an Administrative Claim, a Priority Non-Tax Claim, a Priority Tax Claim, a Secured Claim, a Talc Personal Injury Claim, or an Intercompany Claim	Unimpaired
Class 3b Unsecured Claims against ITI	Includes certain Claim against ITI that are not an Administrative Claim, a Priority Non-Tax Claim, a Priority Tax Claim, a Secured Claim, a Talc Personal Injury Claim, or an Intercompany Claim	Unimpaired
Class 4 Talc Personal Injury Claims	Includes all Talc Personal Injury Claims	Impaired (eligible to vote to accept or reject the Plan)

¹ These descriptions are neither comprehensive nor complete. For the proper definitions of each class, please refer to the Plan.

Class 5a Non-Debtor Intercompany Claims	Includes any claim held against a Debtor by Imerys S.A. or a Non-Debtor Affiliate, subject to certain exceptions	Impaired (but a Plan Proponent and therefore presumed to accept the Plan)
Class 5b Debtor Intercompany Claims	Any claim held by a Debtor against another Debtor	Unimpaired
Class 6 Equity Interests in the North American Debtors	Outstanding shares of the Debtors	Impaired (but a Plan Proponent and therefore presumed to accept the Plan)
Class 7 Equity Interests in ITI	Outstanding shares of Imerys Talc Italy S.p.A.	Unimpaired

43. The Debtors believe that the proposed creditor classification is appropriate in the circumstances.

Sale of Assets

44. The Imerys Settlement contemplates that the Debtors will initiate a sale process for substantially all of their assets pursuant to section 363 of the US Bankruptcy Code. The Sale contemplated under the Imerys Settlement is a critical component of the Plan and is intended to make available additional funding for the benefit of the Debtors' Estates, and, ultimately, the Talc Personal Injury Trust. The Debtors are optimistic that they will receive competitive bids for their assets.
45. To this end, on May 15, 2020, the Debtors filed a motion (the "**Sale Motion**") seeking a US Court order (i) authorizing and approving bidding procedures for the sale of all or substantially all of the Debtors' assets (the "**Bidding Procedures**");² (ii) establishing procedures for the assumption and assignment of certain executory contracts and unexpired leases; (iii) establishing procedures in connection with the selection of a Stalking Horse Bidder (as defined in the Sale Motion), if any, and related protections; and (iv) approving the sale of assets free and clear of all Interests (as defined in the Sale Motion) pursuant to an asset purchase agreement.

² For the avoidance of doubt, the Sale will not include any assets of ITI, even if it becomes a Debtor in the US Proceeding.

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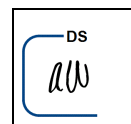
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46. The Debtors filed revised Sale Motion materials on June 26, 2020.
47. The Plan contemplates that 100% of the Sale Proceeds will be contributed to the Talc Personal Injury Trust.
48. A proposed timeline of certain key dates related to the sale process are as follow:

Event	Proposed Date
Deadline to serve Bidding Procedures Order on Transaction Notice Parties	Within three calendar days of entry of Bidding Procedures Order
Indication of Interest Deadline	July 17, 2020 at 4:00 p.m. (ET)
Deadline to select Potential Bidders	July 24, 2020 at 4:00 p.m. (ET)
Deadline to select Stalking Horse Bidder, if any	August 28, 2020 at 4:00 p.m. (ET)
Stalking Horse Objection Deadline, if any Stalking Horse Notice is filed	Within fourteen calendar days from the filing of a Stalking Horse Notice
Bid Deadline	September 24, 2020 at 4:00 p.m. (ET)
Auction (if necessary)	September 29, 2020 at 10:00 a.m. (ET)
Deadline to file and serve notice of the Successful Bidder and amount of the Successful Bid	12:00 p.m. (ET) the calendar day after the Auction is completed
Sale Objection Deadline	October 7, 2020 at 4:00 p.m. (ET)
Sale Hearing	October 14, 2020 at 10:00 a.m. (ET)
Hearing in Canadian Proceeding to recognize the Sale Order	Within 14 Business Days from entry of the Sale Order

49. The Bidding Procedures for the Sale of all or substantially all of the Debtors' assets set forth a process by which one or more stalking horse bidders may be selected. At present, the Debtors do not have a stalking horse bidder. The Bidding Procedures also establish a framework related to the submission of bids for the Debtors' assets and how an auction to sell the Debtors' assets will be conducted.
50. For the avoidance of doubt, Imerys and the Non-Debtor Affiliates are not prohibited from participating in the Sale but will not be designated as stalking horse bidders or entitled to any bid protections.

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51. The Bidding Procedures were developed in consultation with, among others, the Tort Claimants' Committee, the FCR, and the Information Officer.
52. The Sale contemplates that the Debtors' assets will be sold free and clear of all liens, claims, encumbrances, and other interests to the maximum extent permitted by section 363 of the US Bankruptcy Code, with such interests to attach to the proceeds of the Sale.

(c) The Plan and its Impact on Canadian Stakeholders

53. The Plan contemplates that Canadian-based creditors will be treated in the same manner as the US-based creditors. Canadian creditors (other than those with claims in Classes 4 (Talc Personal Injury Claims) and 5a (Non-Debtor Intercompany Claims), and equity interests in Class 6 (Equity Interests in the North American Debtors)) are Unimpaired and their claims will be satisfied in full. Canadian creditors with claims in Classes 5a and 6 have consented to their treatment under the Plan (as Plan Proponents), and any Canadian creditors with claims in Class 4 (Talc Personal Injury Claims) will be treated in the same way as US-based creditors that have claims in Class 4.
54. The Sale contemplates the sale of substantially all of the assets of the Debtors, including ITC. As detailed in the affidavit of Alexandra Picard sworn February 14, 2019, ITC's assets include:
 - a) a talc mine in Timmins, Ontario. The City of Timmins owns the majority of the surface rights to this land, but ITC owns a small parcel of land where ITC has a central office building and a small micronizing mill;
 - b) a land lease, aggregate permit and a patent mine holding in Penhorwood, Ontario;
 - c) a leased distribution centre in Foleyet, Ontario; and
 - d) a warehouse in Mississauga, Ontario.
55. The Bidding Procedures contemplate that the Canadian assets could be sold separately or together with other sale assets.
56. It is a condition precedent to the Effective Date of the Plan that (i) the order of the US Court approving the Sale be recognized by this Court; and (ii) this Court enter an order recognizing the order of the US Court confirming the Plan in its entirety and ordering that

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said order and the Plan to be implemented and effective in Canada in accordance with their terms.

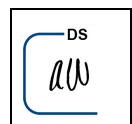
IV. OVERVIEW OF THE FOREIGN ORDERS SOUGHT TO BE RECOGNIZED

(a) Bidding Procedures Order

57. As discussed above, to facilitate the Sale, the Debtors filed the Sale Motion seeking:

- a) the entry of an order (the “**Bidding Procedures Order**”), *inter alia*:
 - i. authorizing and approving the Bidding Procedures;
 - ii. establishing procedures for the assumption and assignment of executory contracts and unexpired leases and the determination of the Cure Amounts (as defined in the Bidding Procedures Order);
 - iii. establishing procedures in connection with the selection of a Stalking Horse Bidder (as defined in the Bidding Procedures Order), if any, and protections to be afforded thereto;
 - iv. scheduling an auction of the Assets;
 - v. scheduling a hearing to consider approval of any Sale;
 - vi. approving the form and manner of notice of all procedures, protections, schedules, and agreements; and
 - vii. granting related relief;
- b) the entry of an order (the “**Sale Order**”), *inter alia*:
 - i. approving the sale of the Assets free and clear of all liens, claims, encumbrances, and other interests to the winning bidder (the “**Successful Bidder**”) pursuant to a purchase agreement to be executed by the Successful Bidder;
 - ii. authorizing the assumption and assignment of certain contracts; and

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iii. granting related relief.

58. The US Court is anticipated to enter the Bidding Procedures Order on June 30, 2020. A copy of the draft Bidding Procedures Order is attached as **Exhibit "C"** to this affidavit. The issued and entered Bidding Procedures Order will be filed as part of a supplemental affidavit.
59. The Debtors anticipate that a hearing to approve the Sale Order will be heard on October 14, 2020.
60. The sale process contemplated in the Bidding Procedures Order is comprised of two phases, which are intended to create a sufficiently competitive environment in order to attract the highest and/or best bid for the Debtors' assets:
- a) the first phase includes a robust marketing effort, with outreach to various potential bidders and an initial diligence process. The Debtors believe that interested parties will have ample time to evaluate the Debtors' businesses and submit indications of interest by the proposed deadline of July 17, 2020;
 - b) in the second phase, and following the identification of potential bidders, participants will finalize outstanding diligence, secure acquisition financing as needed, and have the opportunity to submit a binding offer by the anticipated deadline of September 24, 2020; and
 - c) finally, if two or more bids are received by the deadline on September 24, 2020, the Debtors will conduct an auction to determine the highest or otherwise best bid for the assets.
61. The Debtors are optimistic that they will receive competitive bids for their assets at the Auction utilizing the sale process contemplated in the Bidding Procedures and submit that the sale process has been structured to maximize bidder interest in the Assets. The Debtors are seeking the relief requested in this Motion to ensure that they have the necessary flexibility to run a value-maximizing sale process.
62. The Bidding Procedures Order was developed in consultation with, among others, the Tort Claimants' Committee, the FCR, and the Information Officer.

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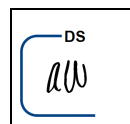
(b) PJT Order

63. The Debtors are seeking the recognition of the *Order (i) Authorizing Employment and Retention of PJT Partners LP as Investment Banker Nunc Pro Tunc to November 7, 2019 and (ii) Waiving Certain Informational Requirements in Connection Therewith* [Docket No. 1493] (the “**PJT Order**”).
64. The US Court entered the PJT Order on February 25, 2020. A copy of the PJT Order is attached as **Exhibit “D”** to this affidavit.
65. The PJT Order, among other things, authorizes the Debtors to employ and retain PJT Partners LP (“**PJT**”) as their investment banker, *nunc pro tunc* to November 7, 2019. PJT is a leading advisor to companies and creditors in a variety of complex restructurings and bankruptcies.
66. PJT was initially retained by the Debtors on or around November 7, 2019 to assist the Debtors with their evaluation of a potential sale, merger, or other disposition of all or a portion of their assets.
67. Since its engagement, PJT has been assisting the Debtors in, among other things, (i) preparing marketing materials in conjunction with a sale; (ii) identifying potential buyers or parties in interest to a sale; (iii) coordinating the due diligence process related to a sale; and (iv) defining the terms, conditions, and impact of any sale.
68. With the approval of the Bidding Procedures Order, PJT is now in the process of implementing a sales process.
69. The services that PJT has provided and will continue to provide to the Debtors are necessary to enable the Debtors to maximize the value of their estates.

V. CONCLUSION

70. I believe that the relief sought in this motion (a) in the best interests of the Debtors and their estates and (b) constitutes a critical element in the Debtors being able to successfully maximize value for the benefit of their estates and, ultimately, successfully emerge from the Chapter 11 Cases.

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I confirm that while connected via video technology, Anthony Wilson showed me his government-issued photo identity document and that I am reasonably satisfied it is the same person and the document is current and valid. I confirm that I have reviewed each page of this affidavit with Anthony Wilson and verify that the pages are identical.

Affirmed before me by video conference from the City of San Jose, in the State of California, United States of America, to the Community of Eugenia (Grey County), Ontario, on June 29, 2020.

DocuSigned by:
Nicholas Avis

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Nicholas Avis

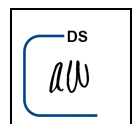
Commissioner for Taking Affidavits
LSO #76781Q

DocuSigned by:
Anthony Wilson

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ANTHONY WILSON

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TAB A

This is
EXHIBIT "A"
to the Affidavit of
ANTHONY WILSON
Sworn June 29, 2020

DocuSigned by:

Nicholas Avis

2C12EFAB5242430

Nicholas Avis
Commissioner for Taking Affidavits
LSO #76781Q

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

----- X

In re: : Chapter 11
: :
IMERYS TALC AMERICA, INC., *et al.*,¹ : Case No. 19-10289 (LSS)
: :
Debtors. : (Jointly Administered)
: :
----- X

In re: : Chapter 11
: :
IMERYS TALC ITALY S.P.A.,² : Case No. [Not yet filed]
: :
Debtor. : [Joint Administration To Be Requested]
: :
----- X

**JOINT CHAPTER 11 PLAN OF REORGANIZATION OF
IMERYS TALC AMERICA, INC. AND ITS DEBTOR AFFILIATES
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

THIS SOLICITATION IS BEING CONDUCTED NOT ONLY FOR THE DEBTORS IN THESE CHAPTER 11 CASES, BUT ALSO FOR IMERYS TALC ITALY S.P.A. NO CHAPTER 11 CASE HAS BEEN COMMENCED AT THIS TIME FOR IMERYS TALC ITALY S.P.A. THE DISCLOSURE STATEMENT AND SOLICITATION MATERIALS ACCOMPANYING THIS JOINT CHAPTER 11 PLAN HAVE NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT FOR IMERYS TALC ITALY S.P.A. IF THE REQUISITE NUMBER OF ACCEPTANCES BY HOLDERS OF CLAIMS IN CLASS 4 ARE RECEIVED, IMERYS TALC ITALY S.P.A. WILL COMMENCE A CHAPTER 11 CASE. FOLLOWING THE COMMENCEMENT OF SUCH A CASE AND ENTRY OF AN ORDER FOR JOINT ADMINISTRATION, IMERYS TALC ITALY S.P.A. WILL SEEK TO HAVE THE DISCLOSURE STATEMENT ORDER MADE APPLICABLE TO IT AND THE CONFIRMATION HEARING ON THIS JOINT CHAPTER 11 PLAN WILL APPLY TO IMERYS TALC ITALY S.P.A.

EVEN THOUGH A CHAPTER 11 CASE HAS NOT BEEN COMMENCED FOR IMERYS TALC ITALY S.P.A., THIS JOINT CHAPTER 11 PLAN IS DRAFTED TO ACCOUNT FOR SUCH A FILING FOR EASE OF READING. TO THE EXTENT THAT THE REQUISITE ACCEPTANCES ARE NOT RECEIVED OR IT IS OTHERWISE DETERMINED THAT A CHAPTER 11 FILING IS NOT NECESSARY, ANY REFERENCE TO

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (6358), Imerys Talc Vermont, Inc. (9050) and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076.

² This solicitation is also being conducted by Imerys Talc Italy S.p.A. pursuant to sections 1125(g) and 1126(b) of the Bankruptcy Code and Bankruptcy Rule 3018. **If the Plan is accepted by the requisite number of claimants in Class 4, Imerys Talc Italy S.p.A. will commence a bankruptcy case that will be, pending entry of an order by the Bankruptcy Court, jointly administered under Case No. 19-10289 (LSS).** Imerys Talc Italy S.p.A.’s address is Via Nazionale 121 Porte, 10060 Turin, Italy.

THE CHAPTER 11 CASE OF IMERYS TALC ITALY S.P.A. WILL BE STRICKEN. THE PLAN PROPONENTS RESERVE THE RIGHT TO AMEND, SUPPLEMENT OR OTHERWISE MODIFY THIS JOINT CHAPTER 11 PLAN PRIOR TO OR DURING THE CONFIRMATION HEARING TO THE EXTENT ALLOWED BY THE BANKRUPTCY CODE AND THE BANKRUPTCY RULES AND IN ACCORDANCE WITH THE TERMS OF THE PLAN.

THE PLAN PROVIDES, AMONG OTHER THINGS, FOR THE ISSUANCE OF AN INJUNCTION PURSUANT TO SECTIONS 105(a) AND 524(g) OF THE BANKRUPTCY CODE THAT CHANNELS ALL CLASS 4 TALC PERSONAL INJURY CLAIMS AGAINST THE DEBTORS AND THE PROTECTED PARTIES (AS DEFINED HEREIN) TO A TRUST, AS WELL AS OTHER INJUNCTIONS DESCRIBED IN ARTICLE XII OF THE PLAN.

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INTRODUCTION

Imerys Talc America, Inc. and its affiliated debtors and debtors-in-possession in the above captioned Chapter 11 Cases respectfully propose the following joint chapter 11 plan of reorganization. Imerys Talc Italy S.p.A. proposes this joint chapter 11 plan as a prepackaged plan and if the requisite acceptances from holders of Claims in Class 4 are received, then Imerys Talc Italy S.p.A. will commence a chapter 11 case to implement the Plan. Unless otherwise indicated, capitalized terms shall have the meanings ascribed to them in Section 1.1 of the Plan.

Nothing in the Plan Documents constitutes an admission by the Debtors as to the existence, merits, or amount of the Debtors' actual present or future liability on account of any Claim or Demand except to the extent that such liability is specifically provided for in the Plan or the other Plan Documents in accordance with the Confirmation Order effective as of the Effective Date.

The Plan Proponents hereby jointly propose the following Plan pursuant to the provisions of chapter 11 of Title 11 of the United States Code for the Debtors in the Chapter 11 Cases and any laws applicable to the solicitation of votes on the Plan by Imerys Talc Italy S.p.A. Reference is made to the Disclosure Statement distributed contemporaneously herewith for, among other things, a discussion of the history, businesses, properties, and results of operations of the Debtors, and projections for future operations, and risks associated with the Plan. The Disclosure Statement also provides a summary of the Plan. **YOU ARE URGED TO READ THE DISCLOSURE STATEMENT AND THIS PLAN WITH CARE IN EVALUATING HOW THE PLAN WILL AFFECT YOUR CLAIM(S) BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.**

ARTICLE I DEFINITIONS AND RULES OF INTERPRETATION

1.1 Capitalized Terms. The capitalized terms used herein have the respective meanings set forth below. Any term that is not otherwise defined in this Section 1.1 of the Plan, but that is defined elsewhere in the Plan or in the Bankruptcy Code or Bankruptcy Rules, shall have the meaning given to that term in the Plan, the Bankruptcy Code, or Bankruptcy Rules, as applicable.

1.1.1 “Additional Contribution” is defined in accordance with Section 10.8.2.4 of the Plan.

1.1.2 “Administrative Claim” means any Claim for any cost or expense of administration of the Chapter 11 Cases under section 503(b) of the Bankruptcy Code, including, but not limited to, (1) any actual and necessary post-petition cost or expense of preserving the Estates or operating the businesses of the Debtors, (2) any payment to be made under the Plan to cure a default on an assumed Executory Contract or Unexpired Lease, (3) post-petition costs, indebtedness or contractual obligations duly and validly incurred or assumed by the Debtors in the ordinary course of business, (4) any Fee Claim, including any Claim for compensation or reimbursement of expenses of Professionals to the extent allowed by the Bankruptcy Court under sections 327, 328, 330(a), 331, or 503(b) of the Bankruptcy Code or the provision of the Plan, (5) any fee or charge assessed against the Estates under 28 U.S.C. § 1930(6), (6) any Claim of the Information Officer and/or counsel for the Information Officer, and (7) any Claim that has been granted superpriority

administrative expense status in accordance with the Final Cash Management Order. For the avoidance of doubt, KEIP/KERP Payments are Administrative Claims.

1.1.3 “**Administrative Claims Bar Date**” means the applicable deadline for filing requests for payment of Administrative Claims (other than Fee Claims) and shall be the Business Day that is sixty (60) days after the Effective Date.

1.1.4 “**Administrative Claim Reserve**” means an amount, as of the Effective Date, equal to (i) the Allowed Amount of Administrative Claims (excluding Fee Claims) and (ii) an estimate by the Debtors (subject to input from and consent by each of the Plan Proponents) of additional Administrative Claims (excluding Fee Claims) that may become Allowed after the Effective Date. The sole purpose of the Administrative Claim Reserve is to pay all Allowed Administrative Claims against the Debtors in full.

1.1.5 “**Affiliate**” shall have the meaning ascribed to such term in section 101(2) of the Bankruptcy Code.

1.1.6 “**Affirmation Order**” means an order of the District Court affirming Confirmation of the Plan and issuing or affirming the issuance of the Channeling Injunction in favor of the Protected Parties.

1.1.7 “**Allowed**” means (a) with respect to Non-Talc Claims, and including applicable premiums and penalties to the extent allowable: (i) any Claim proof of which is timely filed by the applicable Claims Bar Date; (ii) any Claim that is listed in the Schedules as neither contingent, unliquidated, nor disputed, and for which no Proof of Claim has been timely filed; or (iii) any Claim that is allowed pursuant to the Plan; *provided, however*, that with respect to any Claim described in clauses (i) and (ii) above, such Claim shall be considered Allowed only if and to the extent that no objection to the allowance of such Claim has been filed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or such an objection is filed and the Claim shall have been allowed by a Final Order, and (b) with respect to Equity Interests: (i) any Equity Interest registered in the stock register (or its equivalent) maintained by or on behalf of the relevant Debtors as of the Confirmation Date; (ii) any Equity Interest that is allowed pursuant to the Plan; or (iii) any other Equity Interest that has been allowed by a Final Order of the Bankruptcy Court.

1.1.8 “**Allowed Amount**” means, with respect to any Non-Talc Claim, the amount for which that Claim is Allowed, denominated in U.S. dollars, Canadian dollars, or Euros, as applicable.

1.1.9 “**Amended Bylaws**” means, the amended and restated bylaws of each of the Reorganized North American Debtors, in substantially the form contained in the Plan Supplement.

1.1.10 “**Amended Certificate of Incorporation**” means, as to each of the Reorganized North American Debtors, the amended and restated certificate of incorporation of such Debtor, in substantially the form contained in the Plan Supplement.

1.1.11 “**Amended Charter Documents**” means, collectively, the Amended Bylaws and the Amended Certificates of Incorporation.

1.1.12 “**Asset Purchase Agreement**” means one or more asset purchase agreements pursuant to which the Sale or Sales are consummated, as contemplated by the Sale Motion, which motion includes, among other things, the right of the Tort Claimants’ Committee and the FCR to consent to the form of such agreement(s).

1.1.13 “**Assignment**” means the transfer of (i) the Talc Insurance Actions, (ii) the Talc Insurance Action Recoveries, (iii) the Talc Insurance Settlement Agreements, (iv) the Talc In-Place Insurance Coverage, and (v) other rights or obligations with respect to the Talc Insurance Policies, to the Talc Personal Injury Trust under the Plan or the other Plan Documents.

1.1.14 “**Bankruptcy Code**” means Title 11 of the United States Code, 11 U.S.C. 101 *et seq.*, as in effect on the Petition Date, together with all amendments, modifications, and replacements of the foregoing as the same may exist on any relevant date to the extent applicable to the Chapter 11 Cases.

1.1.15 “**Bankruptcy Court**” means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Cases.

1.1.16 “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of Title 28 of the United States Code and any local rules of the Bankruptcy Court, as in effect on the Petition Date, together with any and all amendments and modifications thereto that were subsequently made applicable to the Chapter 11 Cases.

1.1.17 “**Business Day**” means any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, NY are authorized or required by law or executive order to close.

1.1.18 “**Buyer**” means the purchaser under any Asset Purchase Agreement approved by the Bankruptcy Court as contemplated by the Sale Motion, together with its successors and permitted assigns (including any and all of its Affiliates to which it assigns any of its rights or obligations under the Asset Purchase Agreement).

1.1.19 “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List).

1.1.20 “**Canadian Proceeding**” means the proceeding commenced by ITC before the Canadian Court pursuant to the Companies Creditors Arrangement Act (Canada) R.S.C. 1985, c. C-36, as amended.

1.1.21 “**Cash**” means lawful currency of the United States of America and its equivalents.

1.1.22 “**Channeling Injunction**” means the permanent injunction provided for in Section 12.3 of the Plan with respect to Talc Personal Injury Claims against the Protected Parties to be issued pursuant to the Confirmation Order.

1.1.23 “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor, the chapter 11 case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court under Case No. 19-10289 (LSS), and, if applicable, the case to be commenced in the Bankruptcy Court under chapter 11 of the Bankruptcy Code for ITI.

1.1.24 “**Claim**” shall have the meaning ascribed to such term in section 101(5) of the Bankruptcy Code as it pertains to “claims” against any or all of the Debtors.

1.1.25 “**Claims Agent**” means Prime Clerk LLC.

1.1.26 “**Claims Bar Date**” means (i) October 15, 2019, for North American Debtor Claims (subject to the exceptions contained in the General Bar Date Order), (ii) January 9, 2020, for Indirect Talc Personal Injury Claims against the North American Debtors, or (iii) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to certain Claims.

1.1.27 “**Claims Objection Bar Date**” means the deadline for objecting to North American Debtor Claims set forth in Section 7.3.2 which shall be one hundred and twenty (120) days after the Effective Date, unless extended by operation of the Bankruptcy Rules or order of the Bankruptcy Court prior to the expiration of such period.

1.1.28 “**Class**” means a category of holders of Claims or Equity Interests described in Article III of the Plan.

1.1.29 “**Clerk**” means the clerk of the Bankruptcy Court.

1.1.30 “**Compensation Procedures Order**” means that certain *Order Under 11 U.S.C. §§ 105(a) and 331, Fed. R. Bankr. P. 2016(a), and Del. Bankr. L.R. 2016-2 Establishing Procedures for Interim Compensation and Reimbursement of Professionals* [Docket No. 301].

1.1.31 “**Confirmation**” means the entry of the Confirmation Order on the Docket of the Chapter 11 Cases.

1.1.32 “**Confirmation Date**” means the date on which the Confirmation Order is entered on the Docket in the Chapter 11 Cases.

1.1.33 “**Confirmation Hearing**” means the hearing held by the Bankruptcy Court pursuant to section 1128(a) of the Bankruptcy Code to consider Confirmation of the Plan, as such hearing may be adjourned or continued from time to time.

1.1.34 “**Confirmation Order**” means the order, in form and substance acceptable to the Plan Proponents, entered by the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

1.1.35 “**Contingent Contribution**” is defined in accordance with Section 10.8.2.2 of the Plan.

1.1.36 “**Contributed Indemnity and Insurance Interests**” is defined in accordance with Section 10.8.2.3 of the Plan.

1.1.37 “**Contribution Claim**” is defined in accordance with Section 12.3.1(g) of the Plan.

1.1.38 “**Cooperation Agreement**” means that certain Cooperation Agreement among the Debtors, Imerys S.A., and the Talc Personal Injury Trust, substantially in the form to be filed with the Plan Supplement.

1.1.39 “**Cure Amount**” means the payment of Cash or the distribution of other property (as the parties may agree or the Bankruptcy Court may order) as necessary to (i) cure a monetary default of one or more of the Debtors in accordance with the terms of an Executory Contract or Unexpired Lease of such Debtor(s) and (ii) permit such Debtor(s) to assume such Executory Contract or Unexpired Lease under section 365(a) of the Bankruptcy Code.

1.1.40 “**Cyprus**” means Cyprus Mines Corporation, Cyprus Amax Minerals Company, and each of their past and present parents, subsidiaries and Affiliates, direct and indirect equity holders, and the successors and assigns of each, excluding the Debtors and Imerys.

1.1.41 “**Debtor Intercompany Claim**” means any Claim held by a Debtor against another Debtor.

1.1.42 “**Debtors**” means Imerys Talc America, Inc., Imerys Talc Vermont, Inc., Imerys Talc Canada Inc., and, in the event it files a voluntary petition for relief under chapter 11 of the Bankruptcy Code before the Confirmation Date, Imerys Talc Italy S.p.A.

1.1.43 “**Demand**” means any demand for payment, present or future, within the meaning of section 524(g) of the Bankruptcy Code.

1.1.44 “**Disallowed**” means any Non-Talc Claim or Equity Interest that (a) is denied, dismissed, expunged, overruled, or disallowed in whole or in part (but solely to the extent of the disallowance) by Final Order or under the Plan, or (b) has been withdrawn, in whole or in part (but solely to the extent of such withdrawal).

1.1.45 “**Disbursing Agent**” means each Reorganized Debtor, or such other Entity or Entities chosen by the Reorganized Debtor or Reorganized Debtors to make or facilitate Distributions pursuant to the Plan.

1.1.46 “**Discharge Injunction**” means the injunction issued in accordance with sections 524 and 1141 of the Bankruptcy Code and contained in Section 12.1 of the Plan.

1.1.47 “**Disclosure Statement**” means the *Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code*, dated May 15, 2020, including all exhibits and schedules thereto and references therein that relate to the Plan, approved by order of the Bankruptcy Court as containing adequate information, and distributed in accordance with such order of approval, as such disclosure statement and supplemental disclosure documents may be amended, modified, or supplemented from time to time with the consent of each of the Plan Proponents.

1.1.48 “**Disputed**” means any Non-Talc Claim or Equity Interest, or any portion thereof, that has not been Allowed or Disallowed pursuant to the Plan or a Final Order of the Bankruptcy Court, or that is contingent or unliquidated.

1.1.49 “**Disputed Claims Reserve**” means the reserve maintained by the Reorganized North American Debtors for any distributable amounts required to be set aside on account of Disputed North American Debtor Claims (other than Disputed Administrative Claims), the amount of which will be distributed (net of any expenses, including any taxes relating thereto), as provided in the Plan, as such Disputed North American Debtor Claims (other than Disputed Administrative Claims) are resolved by Final Order, and such amounts shall be distributable in respect of such Disputed North American Debtor Claims (other than Disputed Administrative Claims) as such amounts would have been distributable had the Disputed North American Debtor Claims (other than Disputed Administrative Claims) been Allowed Claims as of the Effective Date. For the avoidance of doubt, (i) no assets of ITI will be used to fund the Disputed Claims Reserve and no amounts from the Disputed Claims Reserve will be distributed on account of Allowed ITI Claims, and (ii) available funds in the Disputed Claims Reserve will not be used to pay any Claims that are subject to payment from funds placed in the Reorganized North American Debtor Cash Reserve.

1.1.50 “**Distribution(s)**” mean(s) Cash, property, or interest in property to be paid or delivered hereunder to holders of Allowed Non-Talc Claims under the terms of the Plan.

1.1.51 “**Distribution Date**” means the date which is as soon as reasonably practicable after the later of (i) the Effective Date, or (ii) in the case of a Non-Talc Claim that is not yet Allowed as of the Effective Date, the date that such Claim becomes Allowed.

1.1.52 “**Distribution Record Date**” means the record date for determining an entitlement to receive Distributions under the Plan on account of Allowed Non-Talc Claims, which shall be the Confirmation Date.

1.1.53 “**District Court**” means the United States District Court for the District of Delaware.

1.1.54 “**Docket**” means the docket in the jointly administered Chapter 11 Cases maintained by the Clerk.

1.1.55 “**Effective Date**” means the Business Day upon which all of the conditions precedent to the occurrence of the Effective Date contained in Section 9.2 of the Plan have been satisfied or waived pursuant to Section 9.3.

1.1.56 “**Encumbrance**” means with respect to any property (whether real or personal, tangible or intangible), any mortgage, Lien, pledge, charge, security interest, assignment or encumbrance of any kind or nature in respect of such property (including any conditional sale or other title retention agreement, any security agreement, and the filing of, or agreement to give, any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction) to secure payment of a debt or performance of an obligation.

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

1.1.58 “**Equity Interest**” means (i) the ITA Stock, (ii) the ITV Stock, (iii) the ITC Stock, and/or (iv) the ITI Stock, as applicable.

1.1.59 “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder, as amended, supplemented or substituted therefor from time to time.

1.1.60 “**ERISA Affiliate**” means, with respect to any Person, any other Person (whether or not incorporated) that, together with such Person, would be treated as a single employer under section 414 of the Internal Revenue Code or section 4001 of ERISA.

1.1.61 “**Estate**” means, as to each Debtor, the estate created in its Chapter 11 Case under section 541 of the Bankruptcy Code.

1.1.62 “**Estate Causes of Action**” means any and all of the actions, claims, rights, remedies, defenses, counterclaims, suits, and causes of action owned or held, or assertable by or on behalf of any Debtor or its Estate (including, without limitation, claims assertable by the Tort Claimants’ Committee or FCR on behalf of any Debtor or its Estate), whether known or unknown, in law, at equity or otherwise, whenever and wherever arising under the laws of any jurisdiction, including without limitation actions that (i) arise out of or are based on breach of contract, receipt of illegal dividends, fraudulent conveyances and transfers, breach of fiduciary duty, breach of duty of loyalty, legal malpractice, recovery of attorneys’ fees, turnover of property and avoidance or recovery actions of the Debtors or their respective Estates, including actions that constitute property of the Estate under section 541 of the Bankruptcy Code that are or may be pursued by a representative of the Estates, including pursuant to section 323 of the Bankruptcy Code, and actions that may be commenced by a representative of the Estates under section 362 or chapter 5 of the Bankruptcy Code, seeking relief in the form of damages (actual and punitive), imposition of a constructive trust, turnover of property, restitution, and declaratory relief with respect thereto or otherwise, or (ii) seek to impose any liability upon, or injunctive relief on, any

Imerys Protected Party, or to satisfy, in whole or in part, any Talc Personal Injury Claim. The term “Estate Causes of Action” includes any such actions, claims, rights, remedies, defenses, counterclaims, suits, and causes of action, regardless of the alleged legal theory, including without limitation: (a) inadequate capitalization, (b) fraudulent transfer or fraudulent conveyance claims, or claims seeking to avoid and/or recover any transfers of property, under applicable state or federal law, (c) claims based on the doctrines of veil piercing, alter ego, or vicarious liability; (d) single business enterprise or common enterprise claims; (e) claims that any Debtor was the mere instrumentality, agent, dominated or controlled party, or alter ego of any Imerys Protected Party, or that any Imerys Protected Party was the mere instrumentality, agent, dominated or controlled party, or alter ego of any Debtor; (f) claims that any Imerys Protected Party was the mere continuation of any Debtor; (g) negligent provision of services claims; and (h) claims that any Imerys Protected Party, on the one hand, and any Debtor, on the other hand, conspired with one another, aided and abetted one another, or acted in concert with one another.

1.1.63 “**Executory Contract**” means any executory contract as to which one of the Debtors is a party and that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

1.1.64 “**FCR**” means James L. Patton (or any Bankruptcy Court-appointed successor), in his capacity as the legal representative for any and all persons who may assert Talc Personal Injury Demands.

1.1.65 “**Fee Claim**” means any Claim of a (i) Professional for allowance of compensation and reimbursement of costs and expenses and (ii) member of the Tort Claimants’ Committee for reimbursement of costs and expenses, in each case incurred in the Chapter 11 Cases on or before the Effective Date.

1.1.66 “**Fee Claim Reserve**” means an amount equal to the Allowed Amount of Fee Claims against the Debtors and a reasonable estimate by the Debtors (subject to input from and consent by each of the Plan Proponents) of additional Fee Claims against the Debtors that may become Allowed after the Effective Date. The sole purpose of the Fee Claim Reserve is to pay all Allowed and unpaid Fee Claims against the Debtors in full.

1.1.67 “**Fee Examiner**” means Jacob Renick (or any Bankruptcy Court-appointed successor), in his capacity as the fee examiner appointed pursuant to the Fee Examiner Order.

1.1.68 “**Fee Examiner Order**” means the *Order Appointing Fee Examiner and Establishing Related Procedures for the Review of Applications of Retained Professionals* [Docket No. 741].

1.1.69 “**Final Cash Management Order**” means the *Final Order Under 11 U.S.C. §105(a), 345, 363, 503(b), and 507(a), Fed. R. Bankr. P. 6003 and 6004, and Del. Bankr. L.R. 2015-2 (I) Authorizing Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, (II) Authorizing Continuation of Existing Deposit Practices, (III) Approving the Continuation*

of Intercompany Transactions, and (IV) Granting Superpriority Administrative Expense Status to Certain Postpetition Intercompany Claims [Docket No. 428].

1.1.70 “**Final Order**” means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

1.1.71 “**General Bar Date Order**” means the *Order (I) Establishing Bar Dates and Related Procedures for Filing Proofs of Claim Other Than with Respect to Talc Personal Injury Claims and (II) Approving Form and Manner of Notice Thereof* [Docket No. 881].

1.1.72 “**Imerys**” means Imerys S.A. and its Affiliates, excluding the Debtors.

1.1.73 “**Imerys Affiliated Parties**” means, in each case during the times the Debtors were direct or indirect subsidiaries of Imerys S.A. and solely in their capacities as such: (i) direct or indirect shareholders of Imerys S.A.; (ii) current and former officers, directors, principals, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, experts, and other professionals of the Imerys Corporate Parties and/or the Debtors; and (iii) with respect to each of the foregoing Persons in clauses (i) and (ii), each such Persons’ respective heirs, executors, estates, and nominees, as applicable. For the avoidance of doubt, the Imerys Affiliated Parties exclude J&J, Rio Tinto, and Cyprus.

1.1.74 “**Imerys Cash Contribution**” is defined in accordance with Section 10.8.2.2 of the Plan.

1.1.75 “**Imerys Contribution**” is defined in accordance with Section 10.8.2 of the Plan.

1.1.76 “**Imerys Corporate Parties**” means Imerys S.A. and all Persons listed on Schedule I, each of which are or were Affiliates of Imerys S.A. during the time that the Debtors were owned or controlled by Imerys S.A., hereto, and the successors and assigns of such Persons, solely in their capacity as such. Schedule I is an exclusive list and does not include, among others, J&J, Rio Tinto, or Cyprus.

1.1.77 “**Imerys Plan Proponents**” means Imerys S.A., on behalf of itself and all Persons listed on Schedule II hereto, each of which Imerys S.A. has direct or indirect ownership or other control.

1.1.78 “**Imerys Protected Parties**” means the Imerys Corporate Parties and the Imerys Affiliated Parties.

1.1.79 “**Imerys Released Claims**” is defined in accordance with Section 12.2.1(b) of the Plan.

1.1.80 “**Imerys S.A.**” means Imerys S.A., the Debtors’ parent entity.

1.1.81 “**Imerys Settlement**” means that certain comprehensive settlement by and among the Plan Proponents, the terms of which are set forth and implemented herein.

1.1.82 “**Imerys Settlement Funds**” means at least \$177.5 million, made up of: (i) \$75 million, consisting of Cash and the Talc PI Note, plus (ii) 100% of the Sale Proceeds, plus (iii) a contingent purchase price enhancement of up to \$102.5 million, subject to the Cash value of the Sale Proceeds.

1.1.83 “**Impaired**” means a Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.1.84 “**Indirect Talc Personal Injury Claim**” means a Talc Personal Injury Claim of any corporation (as defined in section 101(9) of the Bankruptcy Code), co-defendant of a Debtor, or predecessor of a Debtor for contribution, reimbursement, subrogation, or indemnity, whether contractual or implied by law (as those terms are defined by applicable non-bankruptcy law of the relevant jurisdiction), and any other derivative Talc Personal Injury Claim of any corporation (as defined in section 101(9) of the Bankruptcy Code), co-defendant of a Debtor, or predecessor of a Debtor, whether in the nature of or sounding in contract, tort, warranty, or other theory of law. For the avoidance of doubt, an Indirect Talc Personal Injury Claim shall not include any claim for or otherwise relating to death, injury, or damages caused by talc or a product or material containing talc that is asserted by or on behalf of any injured individual, the estate, legal counsel, relative, assignee, or other representative of any injured individual, or an individual who claims injury or damages as a result of the injury or death of another individual regardless of whether such claim is seeking compensatory, special, economic, non-economic, punitive, exemplary, administrative, or any other costs or damages, or any legal, equitable or other relief whatsoever, including pursuant to a settlement, judgment, or verdict. By way of illustration and not limitation, an Indirect Talc Personal Injury Claim shall not include any claim for loss of consortium, loss of companionship, services and society, or wrongful death. Indirect Talc Personal Injury Claims shall be resolved by the Talc Personal Injury Trust in accordance with the Talc Personal Injury Trust Documents.

1.1.85 “**Information Officer**” means Richter Advisory Group Inc., in its capacity as the information officer appointed by the Canadian Court in the Canadian Proceeding.

1.1.86 “**Injunctions**” means the Discharge Injunction, the Channeling Injunction, the Supplemental Settlement Injunction Order, the Insurance Entity Injunction, the Release Injunction, and any other injunctions entered by the Bankruptcy Court or the District Court in connection with Confirmation of the Plan.

1.1.87 “**Insurance Entity Injunction**” means the injunction described in Section 12.3.2 of the Plan.

1.1.88 “**Insured Non-Talc Claim**” means a Non-Talc Claim that is alleged to be covered by an insurance policy issued or allegedly issued by a Non-Talc Insurance Company.

1.1.89 “**Intercompany Claim**” means (a) any Debtor Intercompany Claim or (b) any Non-Debtor Intercompany Claim.

1.1.90 “**Intercompany Loan**” means that certain outstanding loan payable from Imerys to the North American Debtors in the amount of approximately \$22,700,000 as of May 8, 2020.

1.1.91 “**Internal Revenue Code**” or “**Tax Code**” means title 26 of the United States Code, 26 U.S.C. §§ 1 *et seq.*, as in effect on the Petition Date, together with all amendments, modifications, and replacements of the foregoing as the same may exist on any relevant date to the extent applicable to the Chapter 11 Cases.

1.1.92 “**ITA**” means Imerys Talc America, Inc., a Delaware corporation.

1.1.93 “**ITA Stock**” means all of the outstanding shares of stock of ITA, 100% of which is held by Imerys Minerals Holding Limited.

1.1.94 “**ITC**” means Imerys Talc Canada Inc., a Canadian corporation.

1.1.95 “**ITC Stipulated Claim**” means any superpriority administrative expense claim held by ITC against ITA arising as a result of the ITC Stipulated Order.

1.1.96 “**ITC Stipulated Order**” means that certain *Order Approving Stipulation and Agreement Permitting Imerys Talc Canada Inc. to Make Payments to Imerys Talc America, Inc. for Non-Debtor Professional Fees*, entered on March 26, 2020 [Docket No. 1578].

1.1.97 “**ITC Stock**” means all of the outstanding shares of stock of ITC, 100% of which is held by Mircal S.A., a Non-Debtor Affiliate.

1.1.98 “**ITI**” means Imerys Talc Italy S.p.A., an Italian corporation.

1.1.99 “**ITI Causes of Action**” means any and all Estate Causes of Action (other than Talc Personal Injury Trust Causes of Action and Talc Insurance Actions) owned or held, or assertable by or on behalf of ITI or its Estate that are not otherwise released pursuant to the Plan.

1.1.100 “**ITI Claim**” means any Non-Talc Claim against ITI.

1.1.101 “**ITI Stock**” means all of the outstanding shares of (i) stock of ITI or (ii) if on or after the Effective Date, Reorganized ITI, the majority of which is held by Mircal Italia.

1.1.102 “**ITV**” means Imerys Talc Vermont, Inc., a Vermont corporation.

1.1.103 “**ITV Stock**” means all of the outstanding shares of stock of ITV, 100% of which is held by ITA.

1.1.104 “**J&J**” means Johnson & Johnson, Johnson & Johnson Baby Products Company, Johnson & Johnson Consumer Companies, Inc., Johnson & Johnson Consumer Inc., and each of their past and present parents, subsidiaries and Affiliates, direct and indirect equity holders, and the successors and assigns of each, excluding the Debtors and Imerys.

1.1.105 “**KEIP/KERP Payments**” means those certain payments to participants in the Debtors’ key employee incentive plan and/or key employee retention plan as authorized by the Bankruptcy Court pursuant to the *Order Approving Debtors’ Key Employee Retention Program* [Docket No. 1259] and any other Final Order approving payments to participants in any key employee incentive plan and/or key employee retention plan.

1.1.106 “**Lien**” has the meaning ascribed to such term in section 101(37) of the Bankruptcy Code.

1.1.107 “**Mircal Italia**” means Mircal Italia S.p.A., a Non-Debtor Affiliate.

1.1.108 “**Non-Debtor Affiliate**” means an Affiliate of any Debtor other than Imerys S.A. or one of the other Debtors.

1.1.109 “**Non-Debtor Intercompany Claim**” means any Claim (including Claims related to setoff rights) held against a Debtor by Imerys S.A. or a Non-Debtor Affiliate that is a direct or indirect subsidiary of Imerys S.A. other than (i) Administrative Claims and (ii) claims related to Postpetition Intercompany Transactions (as such term is defined in the Final Cash Management Order) made pursuant to the Final Cash Management Order, *provided* that Imerys S.A. or a Non-Debtor Affiliate that is a direct or indirect subsidiary of Imerys S.A. shall have no Administrative Claim on account of the Contingent Contribution except where Imerys S.A. is entitled to reimbursement on account of any unused portions of the Contingent Contribution that Imerys S.A. contributed pursuant to Section 10.8.2.2 of the Plan.

1.1.110 “**Non-Talc Causes of Action**” means the North American Debtor Causes of Action and the ITI Causes of Action.

1.1.111 “**Non-Talc Claim**” means any Claim that is not a Talc Personal Injury Claim.

1.1.112 “**Non-Talc Insurance Assets**” means any Non-Talc Insurance Policies, or settlements thereof, that afford the Debtors indemnity or insurance coverage solely with respect to any Insured Non-Talc Claims.

1.1.113 “**Non-Talc Insurance Company**” means any insurance company, insurance syndicate, coverholder, insurance broker or syndicate insurance broker, guaranty

association or any other Entity, other than a Talc Insurance Company, that may have liability under a Non-Talc Insurance Policy.

1.1.114 “**Non-Talc Insurance Policies**” means any insurance policy, other than a Talc Insurance Policy, issued to or that provides or may provide coverage at any time to the Debtors or under which the Debtors have sought or may seek coverage including, without limitation, any such policy for directors’ and officers’ liability, general liability, workers’ compensation, and any excess or umbrella policy, and all agreements, documents, or instruments relating thereto.

1.1.115 “**North American Debtor Causes of Action**” means any and all Estate Causes of Action (other than Talc Personal Injury Trust Causes of Action and Talc Insurance Actions) owned or held, or assertable by or on behalf of any North American Debtor or their Estates that are not otherwise released pursuant to the Plan.

1.1.116 “**North American Debtor Claim**” means any Non-Talc Claim against any or all of the North American Debtors.

1.1.117 “**North American Debtor Stock**” means the ITA Stock, the ITV Stock, and the ITC Stock.

1.1.118 “**North American Debtors**” means ITA, ITV, and ITC.

1.1.119 “**Pension Liabilities**” means the obligation to pay the pension benefits accrued by the employees of the North American Debtors with respect to their service with the Debtors (and any ERISA Affiliates of the Debtors) as of the Effective Date.

1.1.120 “**Person**” means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization, governmental unit (as defined in section 101(27) of the Bankruptcy Code), or other Entity.

1.1.121 “**Petition Date**” means February 13, 2019, and, with respect to ITI, the date on which ITI files its petition for relief commencing its Chapter 11 Case.

1.1.122 “**Plan**” means this *Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* filed by the Plan Proponents, as the same may be amended or modified from time to time pursuant to section 1127 of the Bankruptcy Code and consistent with the Imerys Settlement. The Plan shall be in form and substance acceptable to each of the Plan Proponents.

1.1.123 “**Plan Documents**” means the Plan, the Disclosure Statement, the Plan Supplement, and all of the exhibits and schedules attached to any of the foregoing (including, without limitation and for the avoidance of doubt, the Talc Personal Injury Trust Documents and the Cooperation Agreement).

1.1.124 “**Plan Proponents**” means, collectively, the Debtors, the Tort Claimants’ Committee, the FCR, and the Imerys Plan Proponents.

1.1.125 “**Plan Supplement**” means the compilation of documents and forms of documents, schedules, and exhibits to the Plan to be filed by the Debtors no later than seven (7) days prior to the earlier of (i) the deadline for submission of ballots to vote to accept or reject the Plan, or (ii) the deadline to object to Confirmation of the Plan, unless otherwise ordered by the Bankruptcy Court, and additional documents filed with the Bankruptcy Court before the Effective Date as amendments, modifications, or supplements to the Plan Supplement, including the following: (a) the list of Executory Contracts and Unexpired Leases to be assumed by the North American Debtors, together with the Cure Amount for each such contract or lease; (b) the list of Executory Contracts and Unexpired Leases to be assumed by ITI, together with the Cure Amount for each such contract or lease; (c) a list of the Executory Contracts and Unexpired Leases to be rejected by ITI; (d) a list of the Settling Talc Insurance Companies, if any; (e) a list of the North American Debtor Causes of Action; (f) a list of the ITI Causes of Action; (g) a list of the Contributed Indemnity and Insurance Interests; (h) the Cooperation Agreement; (i) the Amended Charter Documents; (j) the list of officers and directors of the Reorganized North American Debtors; (k) the Talc PI Note; (l) the Talc PI Pledge Agreement; (m) the identity of the initial Talc Trustee(s); (n) a list of the initial members of the Talc Trust Advisory Committee; and (o) a list of Talc Insurance Policies; *provided* that the Plan Documents listed in subsections d, g, h, i, j, k, l, and o shall each be in form and substance acceptable to each of the Plan Proponents.

1.1.126 “**Post-Effective Date Liabilities**” is defined in accordance with Section 4.13.

1.1.127 “**Priority Non-Tax Claim**” means any Claim entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than an Administrative Claim, a Priority Tax Claim, or a Fee Claim.

1.1.128 “**Priority Tax Claim**” means any Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

1.1.129 “**Professional**” means any person retained or to be compensated pursuant to sections 327, 328, 330, 524(g)(4)(B)(i), or 1103 of the Bankruptcy Code, including, without limitation, any professional retained by the Tort Claimants’ Committee and/or the FCR.

1.1.130 “**Proof of Claim**” means any proof of claim filed with the Bankruptcy Court or the Claims Agent pursuant to section 501 of the Bankruptcy Code and Bankruptcy Rules 3001 or 3002 that asserts a Claim against any of the Debtors.

1.1.131 “**Protected Party**” means any of the following:

(a) the Debtors and any Person who served as a director or officer of any Debtor at any time during the Chapter 11 Cases, but solely in such Person’s capacity as such;

- (b) the Reorganized Debtors;
- (c) the Imerys Protected Parties;
- (d) any Person, except for the Talc Personal Injury Trust, that, pursuant to the Plan or otherwise, after the Effective Date, becomes a direct or indirect transferee of, or successor to, the Debtors, the Reorganized Debtors, or any of their respective assets (but only to the extent that liability is asserted to exist as a result of its becoming such a transferee or successor);
- (e) the Buyer (but only to the extent that liability is asserted to exist as a result of its becoming a transferee or successor to the Debtors);
- (f) any Settling Talc Insurance Company;
- (g) prior to the Effective Date, each Person that contributes funds, proceeds, or other consideration to or for the benefit of the Talc Personal Injury Trust and is designated, with the consent of the Debtors, the Tort Claimants' Committee, and the FCR, in the Confirmation Order and/or the Affirmation Order, to be a Protected Party; and
- (h) following the Effective Date, each Person that contributes funds, proceeds, or other consideration to or for the benefit of the Talc Personal Injury Trust and is designated as a Protected Party by the Talc Personal Injury Trust, the Talc Trust Advisory Committee, and the FCR; *provided, however*, that any post-Effective Date addition to the list of Protected Parties does not become effective until entry of a Final Order approving the addition.

1.1.132 “**Release Injunction**” is defined in accordance with Section 12.2.3 of the Plan

1.1.133 “**Released Parties**” means each of: (a) the Imerys Protected Parties; (b) the Debtors; (c) the Reorganized Debtors; (d) the Tort Claimants' Committee and the individual members thereof (in their capacities as such); (e) the FCR; (f) the Information Officer; and (g) to the fullest extent permitted by applicable law, with respect to each of the foregoing Persons in clauses (b) through (f), each such Person's Representatives.

1.1.134 “**Releasing Claim Holder**” means, collectively, (a) all holders of Claims that vote to accept the Plan; (b) all holders of Claims that are presumed to accept the Plan; (c) all holders of Claims entitled to vote for or against the Plan who do not opt out of the releases provided for in the Plan, except for those holders of Claims whose solicitation packages were returned to the Debtors or their agent(s) as undeliverable; and (d) with respect to each of the foregoing Persons in clauses (a) through (c), such Persons' respective predecessors, successors, and assigns, each in their capacity as such.

1.1.135 “**Reorganized Debtors**” means the Reorganized North American Debtors and Reorganized ITI.

1.1.136 “**Reorganized ITA**” means ITA, on and after the Effective Date.

1.1.137 “**Reorganized ITA Stock**” means one hundred percent (100%) of the shares of common stock of Reorganized ITA.

1.1.138 “**Reorganized ITC**” means ITC, on and after the Effective Date.

1.1.139 “**Reorganized ITC Stock**” means one hundred percent (100%) of the shares of common stock of Reorganized ITC.

1.1.140 “**Reorganized ITI**” means ITI, on and after the Effective Date.

1.1.141 “**Reorganized ITV**” means ITV, on and after the Effective Date.

1.1.142 “**Reorganized ITV Stock**” means one hundred percent (100%) of the shares of common stock of Reorganized ITV.

1.1.143 “**Reorganized North American Debtor Cash Reserve**” means an amount, funded from Cash on hand of the North American Debtors and/or the Imerys Cash Contribution (excluding the Contingent Contribution), as of the Effective Date, subject to input from and consent by each of the Plan Proponents, equal to: (i) the Allowed Amount of Priority Tax Claims against the North American Debtors; (ii) the Allowed Amount of Priority Non-Tax Claims against the North American Debtors; (iii) the Allowed Amount of all Secured Claims against the North American Debtors; (iv) the Allowed Amount of all Debtor Intercompany Claims against the North American Debtors; (v) the Allowed Amount of all Unsecured Claims against the North American Debtors; and (vi) an estimate by the North American Debtors of additional post-Effective Date obligations that the Reorganized North American Debtors may incur, including, but not limited to, (a) amounts necessary to compensate the Disbursing Agent and cover costs incurred by the Disbursing Agent in implementing the Plan, (b) amounts necessary to enforce all rights to commence and pursue, as appropriate, any and all North American Debtor Causes of Action, and (c) amounts due in respect of the Canadian Proceeding related to the post-Effective Date period. For the avoidance of doubt, the Reorganized North American Debtor Cash Reserve shall not be funded by the Administrative Claim Reserve, the Fee Claim Reserve, the Imerys Settlement Funds, the assets of ITI, or the assets of Reorganized ITI, nor shall ITI Claims be satisfied from the Reorganized North American Debtor Cash Reserve.

1.1.144 “**Reorganized North American Debtor Stock**” means the Reorganized ITA Stock, the Reorganized ITV Stock, and the Reorganized ITC Stock, which shall be deemed authorized and issued on the Effective Date as described in Section 10.6 of the Plan.

1.1.145 “**Reorganized North American Debtors**” means Reorganized ITA, Reorganized ITV, and Reorganized ITC.

1.1.146 “**Representatives**” means with respect to any Person, such Person’s (a) successors, permitted assigns, subsidiaries, and controlled affiliates, (b) present officers and directors, principals, members, employees, financial advisors, attorneys, accountants, investment bankers, consultants, experts, and other professionals, and (c) respective heirs, executors, estates, and nominees, in each case solely in their capacity as such.

1.1.147 “**Reserves**” means (a) the Administrative Claim Reserve; (b) Disputed Claims Reserve; (c) the Fee Claim Reserve; and (d) the Reorganized North American Debtor Cash Reserve.

1.1.148 “**Rio Tinto**” means Rio Tinto plc, Rio Tinto Limited, Rio Tinto America Holdings, Rio Tinto America Inc., Rio Tinto Services, Inc., and each of their past and present parents, subsidiaries and Affiliates, direct and indirect equity holders, and the successors and assigns of each, excluding the Debtors and Imerys.

1.1.149 “**Sale**” means one or more sales consisting of substantially all of the assets of the North American Debtors to the Buyer pursuant to an Asset Purchase Agreement, in each case with the consent or consultation rights of the Tort Claimants’ Committee and the FCR set forth in the Sale Motion, which sale is authorized by order of the Bankruptcy Court.

1.1.150 “**Sale Motion**” means the *Debtors’ Motion for Entry of Orders (I) (A) Establishing Bidding Procedures, Assumption and Assignment Procedures, and Stalking Horse Procedures for Sale of Substantially All Assets, (B) Scheduling Auction and Sale Hearing, and (C) Approving Form and Manner of Notice Thereof, (II) Approving Sale of Substantially All Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests, (III) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief*, filed on May 15, 2020.

1.1.151 “**Sale Order**” means the order approving the Sale or Sales in form and substance acceptable to the Debtors, the Tort Claimants’ Committee, and the FCR, or a Final Order of the Bankruptcy Court approving the Sale or Sales.

1.1.152 “**Sale Proceeds**” means the net proceeds from the Sale.

1.1.153 “**Schedules**” means the schedules of assets and liabilities and the statements of financial affairs of the North American Debtors as filed on the Docket in accordance with section 521 of the Bankruptcy Code, as such schedules and statements may be amended or supplemented from time to time.

1.1.154 “**Secured Claim**” means a Claim or any portion thereof: (a) secured by a Lien on property in which a particular Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Final Order, to the extent of the value of the creditor’s interest in such Estate’s interest in such property as determined pursuant to section 506(a) of the Bankruptcy Code, (b) subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the amount subject to setoff as determined pursuant to section 506(a) of the Bankruptcy Code, or (c) Allowed as secured pursuant to the Plan or any Final Order as a secured Claim.

1.1.155 “**Settled Talc Insurance Policy**” means any Talc Insurance Policy that is the subject of a Talc Insurance Buyback Agreement.

1.1.156 “**Settling Talc Insurance Company**” means each Talc Insurance Company listed in the Plan Supplement (as the same may be amended from time to time prior to the Confirmation Date) with respect to a Settled Talc Insurance Policy, if any.

1.1.157 “**Shared Talc Insurance Policy**” means the Talc Insurance Policy issued by XL Insurance Company Ltd. to Imerys and the Debtors, Policy No. FR00003071LI13A, for the policy period of January 1, 2013 to December 31, 2014, and the Talc Insurance Policies issued by XL Insurance America, Inc. to Imerys USA, Inc. for the policy periods of January 1, 2011 through January 1, 2015, and any other insurance policy currently or previously in effect at any time on or before the Effective Date naming the Debtors (or any predecessor, subsidiary, or past or present Affiliate of the Debtors) as an insured (whether as the primary or additional insured, or by virtue of being a subsidiary to the named insured), or otherwise alleged to afford the Non-Debtor Affiliates insurance coverage, upon which any claim could have been, has been or may be made with respect to any Talc Personal Injury Claim, except that such insurance policies will not include any insurance policy that contains an exclusion expressly applicable to bodily injury arising in whole or in part out of exposure to talc, or talc-containing dust that has caused or allegedly caused ovarian cancer.

1.1.158 “**Supplemental Settlement Injunction Order**” means the injunction described in Section 12.4 of the Plan.

1.1.159 “**Talc In-Place Insurance Coverage**” means all of the rights, benefits or insurance coverage under any Talc Insurance Policy or any Talc Insurance Settlement Agreement that is not a Settled Talc Insurance Policy, including the right to payment or reimbursement of liability, indemnity, or defense costs arising from or related to Talc Personal Injury Claims or Talc Personal Injury Trust Expenses.

1.1.160 “**Talc Insurance Action**” means any claim, cause of action, or right of the Debtors, or any one of them, under the laws of any jurisdiction, against any Talc Insurance Company with respect to any Talc Personal Injury Claim, arising from or related to: (a) any such Talc Insurance Company’s failure to provide coverage or otherwise pay under Talc In-Place Insurance Coverage, (b) the refusal of any Talc Insurance Company to compromise and settle any Talc Personal Injury Claim under or pursuant to any Talc Insurance Policy, or Talc Insurance Settlement Agreement, (c) the interpretation or enforcement of the terms of any Talc Insurance Policy or Talc Insurance Settlement Agreement with respect to any Talc Personal Injury Claim, (d) any conduct by a Talc Insurance Company constituting “bad faith,” conduct that could give rise to extra-contractual damages, or other wrongful conduct under applicable law, or (e) any other claims under, arising out of or relating to a Talc Insurance Policy, a Talc Insurance Settlement Agreement, or Talc In-Place Insurance Coverage, including but not limited to the lawsuit styled as *Columbia Casualty Company, et al. v. Cyprus Mines Corporation, et al.*, Case No. CGC-17-560919, Superior Court of the State of California, County of San Francisco, and the lawsuit styled as *Imerys Talc America, Inc. et al. v. Cyprus Amax Minerals Company et al.*, Adv. Pro. No. 19-50115 (LSS), U.S. Bankruptcy Court for the District of Delaware.

1.1.161 “**Talc Insurance Action Recoveries**” means (a) Cash derived from and paid pursuant to a Talc Insurance Buyback Agreement, (b) Cash derived from and paid pursuant to a Talc Insurance Settlement Agreement entered into after February 13, 2019, attributable to any Talc Personal Injury Claim other than reimbursement for payments made on account of Talc Personal Injury Claims prior to February 13, 2019, (c) the right to receive proceeds of Talc In-Place Insurance Coverage (including any receivables), and (d) the right to receive the proceeds or benefits of any Talc Insurance Action.

1.1.162 “**Talc Insurance Buyback Agreement**” means any settlement agreement entered into after the Petition Date by and among any Talc Insurance Company and one or more of the Debtors in which a Talc Insurance Policy and all of the Debtors’ rights thereunder with respect to Talc Personal Injury Claims are extinguished in exchange for payment of a negotiated lump sum payment.

1.1.163 “**Talc Insurance Company**” means any insurance company, insurance syndicate, coverholder, insurance broker or syndicate insurance broker, guaranty association, or any other Entity that may have liability under a Talc Insurance Policy.

1.1.164 “**Talc Insurance Policy**” means any insurance policy currently or previously in effect at any time on or before the Effective Date naming the Debtors (or any predecessor, subsidiary, or past or present Affiliate of the Debtors) as an insured (whether as the primary or additional insured, or by virtue of being a subsidiary to the named insured), or otherwise alleged to afford the Debtors insurance coverage, upon which any claim could have been, has been or may be made with respect to any Talc Personal Injury Claim, including but not limited to the policies included in the Plan Supplement.

1.1.165 “**Talc Insurance Settlement Agreement**” means (a) any settlement agreement existing by and among any Talc Insurance Company and one or more of the Debtors, that amends, modifies, replaces, or governs the rights and obligations of, and the coverage afforded to, any or all of the Debtors under any Talc Insurance Policy, other than a Talc Insurance Buyback Agreement, or (b) any settlement agreement with a Talc Insurance Company relating to any Talc Personal Injury Claim entered into by the Debtors prior to the Petition Date.

1.1.166 “**Talc Insurer Coverage Defense**” means all rights and defenses that any Talc Insurance Company may have under any Talc Insurance Policy and applicable law with respect to a claim seeking insurance coverage or to a Talc Insurance Action, but Talc Insurer Coverage Defenses do not include any defense that the Plan or any of the other Plan Documents do not comply with the Bankruptcy Code. Upon entry of the Confirmation Order in the Chapter 11 Cases determining that the Bankruptcy Code authorizes the Assignment by preempting any terms or provisions of the Talc Insurance Policies that any Talc Insurance Company asserts or may assert otherwise prohibits the Assignment, a Talc Insurer Coverage Defense shall not include any defense that the Assignment is prohibited by the Talc Insurance Policies or applicable non-bankruptcy law.

1.1.167 “**Talc Personal Injury Claim**” means any Claim and any Talc Personal Injury Demand against one or more of the Debtors or any other Protected Party whether

known or unknown, including with respect to any manner of alleged bodily injury, death, sickness, disease or alleged disease process, emotional distress, fear of cancer, medical monitoring, or any other alleged personal injuries (whether physical, emotional or otherwise), directly or indirectly arising out of or relating to the presence of or exposure to talc or talc-containing products based on the alleged pre-Effective Date acts or omissions of the Debtors or any other entity for whose conduct the Debtors have or are alleged to have liability (but only to the extent such Claim or Talc Personal Injury Demand directly or indirectly arises out of or relates to the alleged pre-Effective Date acts or omissions of the Debtors), including, without limitation any claims directly or indirectly arising out of or relating to: (a) any products previously mined, processed, manufactured, sold (including, without limitation, any Sale pursuant to the Sale Order) and/or distributed by the Debtors or any other entity for whose conduct the Debtors have or are alleged to have liability, but in all cases only to the extent of the Debtors' liability; (b) any materials present at any premises owned, leased, occupied or operated by any entity for whose products, acts, omissions, business or operations the Debtors have, or are alleged to have, liability; or (c) any talc in any way connected to the Debtors alleged to contain asbestos or other contaminants. Talc Personal Injury Claims include all such claims, whether: (1) in tort, contract, warranty, restitution, conspiracy, contribution, indemnity, guarantee, subrogation, or any other theory of law, equity or admiralty, whether brought, threatened or pursued in any United States court or court anywhere in the world; (2) seeking compensatory, special, economic, non-economic, punitive, exemplary, administrative or any other costs, fees, injunctive or similar relief or any other measure of damages; (3) seeking any legal, equitable or other relief of any kind whatsoever, including, for the avoidance of doubt, any claims arising out of or relating to the presence of or exposure to talc or talc-containing products assertable against one or more Debtors or any other Protected Party by Cyprus in the Chapter 11 Cases; or (4) held by claimants residing within the United States or in a foreign jurisdiction. Talc Personal Injury Claims also include any such claims that have been resolved or are subject to resolution pursuant to any agreement, or any such claims that are based on a judgment or verdict. Talc Personal Injury Claims do not include any claim by any present or former employee of a predecessor or Affiliate of the Debtors for benefits under a policy of workers' compensation insurance or for benefits under any state or federal workers' compensation statute or other statute providing compensation to an employee from an employer. For the avoidance of doubt, the term "Talc Personal Injury Claim" includes, without limitation (i) all claims, debts, obligations, or liabilities for compensatory damages (such as, without limitation, loss of consortium, medical monitoring, personal or bodily injury, wrongful death, survivorship, proximate, consequential, general, and special damages) and punitive damages; and (ii) Indirect Talc Personal Injury Claims.

1.1.168 "**Talc Personal Injury Demand**" means a Demand against the Debtors or any one of them, that (i) was not a Claim prior to the Effective Date; (ii) arises out of the same or similar conduct or events that gave rise to a Talc Personal Injury Claim; and (iii) pursuant to the Plan, is to be resolved by the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures.

1.1.169 "**Talc Personal Injury Trust**" means the trust established pursuant to the Talc Personal Injury Trust Agreement, which is a "qualified settlement fund" within

the meaning of Treasury Regulations issued under Section 468B of the Internal Revenue Code.

1.1.170 “**Talc Personal Injury Trust Agreement**” means that certain trust agreement, substantially in the form to be attached hereto as Exhibit B.

1.1.171 “**Talc Personal Injury Trust Assets**” means the following assets and any income, profits, and proceeds derived from such assets subsequent to the transfer of such assets to the Talc Personal Injury Trust: (a) the Imerys Settlement Funds; (b) all Cash held by the North American Debtors as of the Effective Date, not including the Cash used to fund the Reserves; (c) all non-Cash assets included in the Imerys Contribution, including the Contributed Indemnity and Insurance Interests; (d) the Talc Personal Injury Trust Causes of Action and any and all proceeds thereof; (e) the Talc Insurance Actions; (f) the Talc Insurance Action Recoveries; (g) the rights of the Debtors with respect to Talc Insurance Policies, Talc Insurance Settlement Agreements, Talc Insurance Buyback Agreements, and Claims thereunder; (h) the Reorganized North American Debtor Stock; (i) all Cash remaining in the Reserves, if any, to be distributed to the Talc Personal Injury Trust in accordance with Section 10.11 of the Plan, *provided that* any Cash remaining in the Fee Claim Reserve or the Administrative Claim Reserve after all Fee Claims and Administrative Claims have been satisfied pursuant to Sections 2.1 and 2.3 of the Plan that is attributable to the Contingent Contribution, shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A; and (j) any and all other funds, proceeds, or other consideration otherwise contributed to the Talc Personal Injury Trust pursuant to the Plan and/or the Confirmation Order or other order of the Bankruptcy Court.

1.1.172 “**Talc Personal Injury Trust Causes of Action**” means, any Estate Cause of Action, not otherwise expressly released pursuant to the Plan, attributable to: (a) all defenses to any Talc Personal Injury Claim, including, but not limited to, all defenses under section 502 of the Bankruptcy Code, (b) with respect to any Talc Personal Injury Claim, all rights of setoff, recoupment, contribution, reimbursement, subrogation or indemnity (as those terms are defined by the non-bankruptcy law of any relevant jurisdiction) and any other indirect claim of any kind whatsoever, whenever and wherever arising or asserted, (c) any other claims or rights with respect to Talc Personal Injury Claims that the Debtors would have had under applicable law if the Chapter 11 Cases had not occurred and the holder of such Talc Personal Injury Claim had asserted it by initiating civil litigation against any such Debtor, and (d) any claim, cause of action, or right of the Debtors or any one of them, under the laws of any jurisdiction, for reimbursement, indemnity, contribution, breach of contract, or otherwise arising from or relating to any payments made by the Debtors on account of Talc Personal Injury Claims prior to the Petition Date.

1.1.173 “**Talc Personal Injury Trust Documents**” means the Talc Personal Injury Trust Agreement, the Trust Distribution Procedures, the Cooperation Agreement, and all other agreements, instruments, and documents governing the establishment, administration, and operation of the Talc Personal Injury Trust, which shall be substantially in the form set forth as exhibits hereto or in the Plan Supplement, as they may be amended

or modified from time to time in accordance with their terms and the Plan. The Plan Proponents shall have consent rights over the Cooperation Agreement. With respect to the Talc Personal Injury Trust Agreement and the Trust Distribution Procedures, (i) prior to the Effective Date, the Debtors and Imerys S.A. shall have consultation rights as to the form and substance of such documents and (ii) after the Effective Date, the Plan Proponents shall have consent rights over modifications to such documents to the extent such modifications will materially impact the scope and the terms of the releases and injunctions included in Article ARTICLE XII of the Plan.

1.1.174 “**Talc Personal Injury Trust Expenses**” means any liabilities, costs, or expenses of, or imposed upon, or in respect of, the Talc Personal Injury Trust once established (except for payments to holders of Talc Personal Injury Claims on account of such Claims). Talc Personal Injury Trust Expenses shall also expressly include (a) any and all liabilities, costs, and expenses incurred subsequent to the Effective Date in connection with the Talc Personal Injury Trust Assets (including, without limitation, the prosecution of any Talc Personal Injury Trust Causes of Action and Talc Insurance Actions), in each case whether or not any such action results in a recovery for the Talc Personal Injury Trust and (b) the reasonable documented costs and expenses incurred by the Reorganized Debtors in taking any action on behalf of or at the direction of the Talc Personal Injury Trust, if any, including, without limitation, any costs and expenses incurred by the Reorganized Debtors in being named as a defendant in any Talc Insurance Action.

1.1.175 “**Talc PI Note**” means that certain note to be issued by Imerys S.A. and guaranteed by ITI in favor of the Talc Personal Injury Trust in the amount of \$500,000.00.

1.1.176 “**Talc PI Pledge Agreement**” means the Pledge Agreement to be issued by Mircal Italia pursuant to which the Talc Personal Injury Trust will be granted an Encumbrance entitling the Talc Personal Injury Trust to fifty-one percent (51%) of the common stock of ITI in the event of default under the Talc PI Note.

1.1.177 “**Talc Trust Advisory Committee**” means the committee appointed and serving in accordance with Section 4.4 of the Plan, and having the powers, duties and obligations set forth in the Talc Personal Injury Trust Agreement.

1.1.178 “**Talc Trust Advisory Committee Member**” means any member of the Talc Trust Advisory Committee.

1.1.179 “**Talc Trust Contribution**” is defined in accordance with Section 10.8.2.3 of the Plan.

1.1.180 “**Talc Trustee**” means an individual appointed by the Bankruptcy Court to serve as a trustee of the Talc Personal Injury Trust pursuant to the terms of the Plan and the Talc Personal Injury Trust Agreement or who subsequently may be appointed pursuant to the terms of the Talc Personal Injury Trust Agreement.

1.1.181 “**Tort Claimants’ Committee**” means the official committee of tort claimants in the Debtors’ Chapter 11 Cases appointed by the United States Trustee, as such committee is reconstituted from time to time.

1.1.182 “**Trust Distribution Procedures**” means the Talc Personal Injury Trust Distribution Procedures, substantially in the form to be attached hereto as Exhibit A.

1.1.183 “**Unexpired Lease**” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

1.1.184 “**Unimpaired**” means a Claim or Equity Interest, or a Class of Claims or Equity Interests, that is not Impaired under the Plan.

1.1.185 “**United States Trustee**” means the United States Trustee appointed under section 581 of title 28 of the United States Code to serve in the District of Delaware.

1.1.186 “**Unsecured Claim**” means a Claim against one or more of the Debtors that is not an Administrative Claim, a Priority Non-Tax Claim, a Priority Tax Claim, a Secured Claim, a Talc Personal Injury Claim, or an Intercompany Claim.

1.1.187 “**Unsecured Claim Contribution**” is defined in accordance with Section 10.8.2.2 of the Plan.

1.1.188 “**Voting Procedures**” means those certain procedures and supplemental procedures approved by the Bankruptcy Court for soliciting and tabulating the votes to accept or reject the Plan cast by holders of Claims against and Equity Interests in the Debtors entitled to vote on the Plan.

1.1.189 “**Voting Procedures Order**” means, the order entered by the Bankruptcy Court, which, among other things, (i) fixes Talc Personal Injury Claims in the amounts designated in the Trust Distribution Procedures, solely for voting purposes and not for allowance or distribution purposes, and (ii) approves the Voting Procedures.

1.2 Interpretation; Application of Definitions; Rules of Construction; and Computation of Time. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. Wherever from the context it appears appropriate, each term stated in either the singular or the plural will include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender will include the masculine, feminine, and neuter. Unless otherwise specified, all Article, Section, Schedule, or Exhibit references in the Plan are to the respective article or section of, or schedule or exhibit to, the Plan. The words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar meaning refer to the Plan as a whole and not to any particular section, subsection, or clause contained in the Plan. The rules of construction contained in section 102 of the Bankruptcy Code will apply to the construction of the Plan. Unless otherwise stated herein, all references to dollars mean United States dollars. In computing any period of time prescribed or allowed by the Plan, unless otherwise expressly provided, the provisions of Bankruptcy Rule 9006(a) will apply. The words “including” or “includes” shall be without limitation.

1.3 Exhibits. All exhibits and schedules to the Plan, to the extent not annexed hereto and any agreements referred to herein and therein will be available for review following their filing

with the Bankruptcy Court on (a) the Court's website: www.deb.uscourts.gov, and (b) the website maintained by the Debtors' Claims Agent at <https://primeclerk.com/imerystalc>.

1.4 Ancillary Documents. Each of the schedules and exhibits to the Plan (whether annexed hereto or included in the Plan Supplement), the Disclosure Statement and supplements thereto, and the schedules and exhibits to the Disclosure Statement and the supplements thereto are an integral part of the Plan, and are hereby incorporated by reference and made a part of the Plan, including, without limitation, the Talc Personal Injury Trust Agreement, the Trust Distribution Procedures, the Cooperation Agreement, the Amended Charter Documents, and the other Plan Documents.

ARTICLE II TREATMENT OF ADMINISTRATIVE CLAIMS, FEE CLAIMS, AND PRIORITY TAX CLAIMS

2.1 Administrative Claims.

2.1.1 Allowed Administrative Claims. Holders of Allowed Administrative Claims (other than Fee Claims, which are governed by Section 2.3 of the Plan) shall receive Cash equal to the unpaid portion of such Allowed Administrative Claims on the Distribution Date, in full satisfaction, settlement, release, and discharge of and in exchange for such Claims, or such amounts and on such other terms as may be agreed to by the holders of such Claims and the Debtors or the Reorganized Debtors, as the case may be; *provided, however*, that Allowed Administrative Claims representing liabilities incurred on or after the Petition Date in the ordinary course of business by any of the Debtors shall be paid by the Debtors or the Reorganized Debtors, as the case may be, in accordance with the terms and conditions of the particular transactions relating to such liabilities and any agreements relating thereto. All Allowed Administrative Claims (other than Fee Claims) shall be paid from funds held in the Administrative Claim Reserve which shall be funded from Cash on hand and/or the Imerys Cash Contribution (excluding the Unsecured Claim Contribution). The Reorganized Debtors will be entitled to transfer excess funds from the Fee Claim Reserve (after all Allowed Fee Claims have been satisfied in full) and the Reorganized North American Debtor Cash Reserve (excluding all funds attributable to the Unsecured Claim Contribution) to the Administrative Claim Reserve as they deem necessary or appropriate, on notice to the FCR and the Tort Claimants' Committee, to enable them to satisfy their obligations herein.

2.1.2 Administrative Claims Bar Date. Except as otherwise provided in this Article II, requests for payment of Administrative Claims (other than Fee Claims and Claims against the North American Debtors arising under section 503(b)(9) of the Bankruptcy Code), must be filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than sixty (60) days after the Effective Date. Holders of Administrative Claims that are required to, but do not, file and serve a request for payment of such Administrative Claims by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against, as applicable, the Debtors or the Reorganized Debtors, or their property, and such Administrative Claims

shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be filed and served on the Reorganized Debtors and the requesting party, as applicable, no later than ninety (90) days after the Effective Date, unless otherwise authorized by the Bankruptcy Rules or Bankruptcy Court. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order, including all Administrative Claims expressly Allowed under the Plan. For the avoidance of doubt and in accordance with, and furtherance of, the terms of the ITC Stipulated Order, any ITC Stipulated Claim shall be (i) automatically disallowed upon entry of the Confirmation Order and (ii) deemed discharged upon the Effective Date, without any further action required.

2.1.3 Disputed Administrative Claims. If a Disputed Administrative Claim is thereafter Allowed in whole or in part, the Disbursing Agent shall (at such time as determined to be practicable by the Reorganized Debtors) distribute from the Administrative Claim Reserve, to the holder of such Administrative Claim, the Cash that such holder would have received on account of such Claim if such Administrative Claim had been an Allowed Administrative Claim on the Effective Date. When (i) all Disputed Administrative Claims against the Reorganized Debtors have been resolved and (ii) Distributions required to be made by the Reorganized Debtors pursuant to this Section 2.1 and Section 2.3 have been made, all Cash remaining in the Administrative Claim Reserve shall be disbursed to the Talc Personal Injury Trust, *except* that any Cash remaining in the Administrative Claim Reserve after all Allowed Administrative Claims have been satisfied pursuant to this Section 2.1 and all Allowed Fee Claims have been satisfied pursuant to Section 2.3 that is attributable to the Contingent Contribution, shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A.

2.2 Allowed Priority Tax Claims. On the Distribution Date, holders of Allowed Priority Tax Claims shall receive Cash equal to the amount of such Allowed Priority Tax Claims, in full satisfaction, settlement, release, and discharge of and in exchange for such Claims unless the holder of such claim agrees to an alternative treatment.

2.3 Fee Claims.

2.3.1 All final fee requests for compensation or reimbursement of Fee Claims pursuant to sections 327, 328, 329, 330, 331, 503(b), or 1103 of the Bankruptcy Code for services rendered to the Debtors, the Tort Claimants' Committee, or the FCR, all Fee Claims of members of the Tort Claimants' Committee for reimbursement of expenses, and all requests or Claims under section 503(b)(4) of the Bankruptcy Code, must be filed and served on the Reorganized Debtors and other parties required to be served by the Compensation Procedures Order by no later than forty-five (45) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court. Any objections to a final Fee Claim or any requests or claims under section 503(b)(4) of the Bankruptcy Code must be filed by no later than twenty (20) days after the filing of such Claim. The terms of the Compensation Procedures Order shall govern the allowance and payment of any final Fee Claims submitted in accordance with this Section 2.3 of the Plan. The Fee Examiner appointed under the Fee Examiner Order shall continue to act in this appointed capacity

unless and until all final Fee Claims have been approved by order of the Bankruptcy Court, and the Reorganized Debtors shall be responsible to pay the fees and expenses incurred by the Fee Examiner in rendering services after the Effective Date.

2.3.2 The amount of the Fee Claims owing to the Professionals on and after the Effective Date shall be paid in Cash to such Professionals from funds held in the Fee Claim Reserve, which shall be funded from Cash on hand and/or the Imerys Cash Contribution (excluding the Unsecured Claim Contribution), as soon as reasonably practicable after such Claims are Allowed by a Bankruptcy Court order. The Reorganized Debtors will be entitled to transfer excess funds from the Administrative Claim Reserve (after all Allowed Administrative Claims have been satisfied in full) and the Reorganized North American Debtor Cash Reserve (excluding all funds attributable to the Unsecured Claim Contribution) to the Fee Claim Reserve as they deem necessary or appropriate, on notice to the FCR and the Tort Claimants' Committee, to enable them to satisfy their obligations herein. When all Allowed Fee Claims and Allowed Administrative Claims have been paid in full, amounts remaining in the Fee Claim Reserve, if any, shall revert to the Talc Personal Injury Trust, *except* that any Cash remaining in the Fee Claim Reserve after all Allowed Fee Claims have been satisfied pursuant to this Section 2.3 and all Allowed Administrative Claims have been satisfied pursuant to Section 2.1 that is attributable to the Contingent Contribution, shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A.

ARTICLE III TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

3.1 Grouping of the Debtors for Convenience. The Plan groups the Debtors together solely for the purposes of describing treatment under the Plan, Confirmation of the Plan, and making Distributions. Unless set forth in the Plan, this grouping shall not affect any Debtor's status as a separate legal entity, change the organizational structure of the Debtors' business enterprise, constitute a change of control of any Debtor for any purpose, cause a merger or consolidation of any legal entities, or cause the transfer of any assets. The Plan is not premised upon and shall not cause the substantive consolidation of the Debtors, and, except as otherwise provided by or permitted under the Plan, all Debtors shall continue to exist as separate legal entities.

3.2 Claims and Equity Interests Classified. For purposes of organization, voting, and all Plan confirmation matters, and except as otherwise provided herein, all Claims (other than Administrative Claims, Fee Claims, and Priority Tax Claims) against and Equity Interests in the Debtors are classified as set forth in this Article III of the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Priority Tax Claims, and Fee Claims described in Article II of the Plan, have not been classified and are excluded from the following Classes. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest falls within the description of such Class, and is classified in another Class or Classes to the extent that any remainder of the Claim or Equity Interest falls within the description of such other Class or Classes. Notwithstanding anything to the contrary contained in the Plan, no Distribution shall be made on account of any Claim that is not an Allowed Claim for distribution purposes.

3.3 Treatment and Classification of Claims and Equity Interests. For purposes of all Plan confirmation matters, including, without limitation, voting on, Confirmation of, and Distributions under, the Plan, and except as otherwise provided herein, all Claims against (other than Administrative Claims, Fee Claims, and Priority Tax Claims, which are not classified) and Equity Interests in the Debtors shall be classified and treated in the manner set forth below.

<u>Class</u>	<u>Designation</u>	<u>Treatment</u>	<u>Entitlement to Vote</u>
1	Priority Non-Tax Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
2	Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
3a	Unsecured Claims against the North American Debtors	Unimpaired	Not Entitled to Vote (Presumed to Accept)
3b	Unsecured Claims against ITI	Unimpaired	Not Entitled to Vote (Presumed to Accept)
4	Talc Personal Injury Claims	Impaired	Entitled to Vote
5a	Non-Debtor Intercompany Claims	Impaired	Not Entitled to Vote (Presumed to Accept)
5b	Debtor Intercompany Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
6	Equity Interests in the North American Debtors	Impaired	Not Entitled to Vote (Presumed to Accept)
7	Equity Interests in ITI	Unimpaired	Not Entitled to Vote (Presumed to Accept)

3.3.1 **Class 1 – Priority Non-Tax Claims**

(a) Classification: Class 1 consists of all Priority Non-Tax Claims against the Debtors.

(b) Treatment: On the Distribution Date, each holder of an Allowed Class 1 Priority Non-Tax Claim shall receive Cash equal to the Allowed Amount of such Priority Non-Tax Claim.

(c) Voting: Class 1 is Unimpaired and each holder of an Allowed Claim in Class 1 is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 1 is not entitled to vote to accept or reject the Plan.

3.3.2 **Class 2 – Secured Claims**

(a) Classification: Class 2 consists of all Secured Claims against the Debtors.

(b) Treatment: All Allowed Secured Claims in Class 2 will be treated pursuant to one of the following alternatives on the Distribution Date: (i) payment in full in Cash in accordance with section 506(a) of the Bankruptcy Code; (ii) reinstatement pursuant to section 1124 of the Bankruptcy Code; (iii) such other treatment as the Debtor and the holder shall agree; or (iv) such other treatment as may be necessary to render such Claim Unimpaired.

(c) Voting: Class 2 is Unimpaired and each holder of an Allowed Claim in Class 2 is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 2 is not entitled to vote to accept or reject the Plan.

3.3.3 **Class 3a – Unsecured Claims against the North American Debtors**

(a) Classification: Class 3a consists of all Unsecured Claims against the North American Debtors.

(b) Treatment: Each holder of an Allowed Unsecured Claim against the North American Debtors shall be paid the Allowed Amount of its Unsecured Claim on the Distribution Date. Such payment shall be (i) in full, in Cash, plus post-petition interest at the federal judgment rate in effect on the Petition Date, or (ii) upon such other less favorable terms as may be mutually agreed upon between the holder of such Unsecured Claim and the applicable North American Debtor or Reorganized North American Debtor.

(c) Voting: Class 3a is Unimpaired and each holder of an Allowed Claim in Class 3a is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 3a is not entitled to vote to accept or reject the Plan.

3.3.4 **Class 3b – Unsecured Claims against ITI**

(a) Classification: Class 3b consists of all Unsecured Claims against ITI.

(b) Treatment: The legal, equitable, and contractual rights of the holders of Unsecured Claims against ITI are unaltered by the Plan. Except to the extent that a holder of an Unsecured Claim against ITI agrees to a different treatment, on and after the Effective Date, Reorganized ITI will continue to pay or dispute each Unsecured Claim in the ordinary course of business in accordance with applicable law.

(c) Voting: Class 3b is Unimpaired and each holder of an Allowed Claim in Class 3b is presumed to accept the Plan pursuant to section 1126(f) of the

Bankruptcy Code. Each holder of an Allowed Claim in Class 3b is not entitled to vote to accept or reject the Plan.

3.3.5 Class 4 – Talc Personal Injury Claims

(a) Classification: Class 4 consists of all Talc Personal Injury Claims.

(b) Treatment: On the Effective Date, liability for all Talc Personal Injury Claims shall be channeled to and assumed by the Talc Personal Injury Trust without further act or deed and shall be resolved in accordance with the terms and procedures of the Talc Personal Injury Trust and the Trust Distribution Procedures. Pursuant to the Plan and Trust Distribution Procedures, each holder of a Talc Personal Injury Claim shall have its Claim permanently channeled to the Talc Personal Injury Trust, and such Claim shall thereafter be asserted exclusively against the Talc Personal Injury Trust and resolved and paid by the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures.

(c) Voting: Class 4 is Impaired and each holder of an Allowed Claim in Class 4 is entitled to vote to accept or reject the Plan.

3.3.6 Class 5a – Non-Debtor Intercompany Claims

(a) Classification: Class 5a consists of all Non-Debtor Intercompany Claims.

(b) Treatment: On or after the Effective Date, all Non-Debtor Intercompany Claims shall be canceled, discharged, or eliminated.

(c) Voting: Class 5a is Impaired. Each holder of an Allowed Claim in Class 5a has consented to its treatment under the Plan as a Plan Proponent and is therefore presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 5a is not entitled to accept or reject the Plan.

3.3.7 Class 5b – Debtor Intercompany Claims

(a) Classification: Class 5b consists of all Debtor Intercompany Claims.

(b) Treatment: At the election of the applicable Debtor, each Debtor Intercompany Claim shall (i) be reinstated, (ii) remain in place, and/or (iii) with respect to certain Debtor Intercompany Claims in respect of goods, services, interest, and other amounts that would have been satisfied in Cash directly or indirectly in the ordinary course of business had they not been outstanding as of the Petition Date, be settled in Cash.

(c) Voting: Class 5b is Unimpaired and each holder of an Allowed Claim in Class 5b is conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of a Claim in Class 5b is not entitled to accept or reject the Plan.

3.3.8 **Class 6 – Equity Interests in the North American Debtors**

(a) Classification: Class 6 consists of all Equity Interests in the North American Debtors.

(b) Treatment: On the Effective Date, all Equity Interests in the North American Debtors shall be canceled, annulled, and extinguished.

(c) Voting: Class 6 is Impaired. Each holder of an Allowed Class 6 Equity Interest has consented to its treatment under the Plan as a Plan Proponent and is therefore presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Equity Interest in Class 6 is not entitled to vote to accept or reject the Plan.

3.3.9 **Class 7 – Equity Interests in ITI**

(a) Classification: Class 7 consists of all Equity Interests in ITI.

(b) Treatment: On the Effective Date, all Equity Interests in ITI shall be reinstated and the legal, equitable, and contractual rights to which holders of Equity Interests in ITI are entitled shall remain unaltered to the extent necessary to implement the Plan.

(c) Voting: Class 7 is Unimpaired and each holder of an Allowed Class 7 Equity Interest is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Equity Interest in Class 7 is not entitled to vote to accept or reject the Plan.

3.4 **Debtors’ Rights with Respect to Unimpaired Claims.** Except as otherwise provided in the Plan, nothing under the Plan shall affect the rights of the Debtors or the Reorganized Debtors with respect to any Unimpaired Claims, including all rights with respect to legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims.

**ARTICLE IV
THE TALC PERSONAL INJURY TRUST**

4.1 **Establishment of the Talc Personal Injury Trust.** On the Effective Date, the Talc Personal Injury Trust shall be created in accordance with the Plan Documents. The Talc Personal Injury Trust shall be a “qualified settlement fund” within the meaning of the Treasury Regulations issued under Section 468B of the Tax Code.

4.2 **Purpose and Trust Distribution Procedures.**

4.2.1 The purposes of the Talc Personal Injury Trust shall be to assume all Talc Personal Injury Claims and to use the Talc Personal Injury Trust Assets and, among other things: (a) to preserve, hold, manage, and maximize the assets of Talc Personal Injury Trust; and (b) to direct the processing, liquidation, and payment of all compensable Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents. The

Talc Personal Injury Trust will resolve Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents in such a way that holders of Talc Personal Injury Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims, and otherwise comply in all respects with the requirements of section 524(g)(2)(B)(i) of the Bankruptcy Code.

4.2.2 In the event of a conflict between the terms or provisions of the Plan and the Talc Personal Injury Trust Documents, the terms of the Plan shall control.

4.3 Selection of the Initial Talc Trustee[s]. There shall be [____] initial Talc Trustee[s]. The initial Talc Trustee[s] of the Talc Personal Injury Trust shall be the person[s] identified in the Plan Supplement. All successor Talc Trustees shall be appointed in accordance with the terms of the Talc Personal Injury Trust Agreement. For purposes of performing [their/its] duties and fulfilling [their/its] obligations under the Talc Personal Injury Trust Agreement and the Plan, [each/the] Talc Trustee shall be deemed to be (and the Confirmation Order shall provide that it is) a “party in interest” within the meaning of section 1109(b) of the Bankruptcy Code. The Tort Claimants’ Committee and the FCR shall jointly select the initial Talc Trustee[s].

4.4 Advising the Talc Personal Injury Trust.

4.4.1 The Talc Trust Advisory Committee. The Talc Trust Advisory Committee shall be established pursuant to the Talc Personal Injury Trust Agreement. The initial Talc Trust Advisory Committee shall have [____] members and shall have the functions, duties, and rights provided in the Talc Personal Injury Trust Agreement. Each member of the Talc Trust Advisory Committee shall serve in accordance with the terms and conditions contained in the Talc Personal Injury Trust Agreement. The Tort Claimants’ Committee alone shall select the [____] initial members of the Talc Trust Advisory Committee, who will be identified in the Plan Supplement.

4.4.2 Successor Talc Trust Advisory Committee Members. Successor Talc Trust Advisory Committee Members shall be appointed pursuant to the terms of the Talc Personal Injury Trust Agreement.

4.4.3 FCR. From and after the Effective Date, the FCR shall continue to serve in that capacity as an advisor to the Talc Personal Injury Trust and shall have the functions, duties and rights provided in the Talc Personal Injury Trust Agreement. Any expenses incurred by the FCR in this capacity shall constitute Talc Personal Injury Trust Expenses.

4.5 Transfer of Claims and Demands to the Talc Personal Injury Trust.

4.5.1 On the Effective Date, the Talc Personal Injury Trust shall assume the liabilities, obligations, and responsibilities of the Debtors for all Talc Personal Injury Claims, financial or otherwise, including, but not limited to, Indirect Talc Personal Injury Claims without further action of any Entity. This assumption shall not affect the application of the Discharge Injunction and the Channeling Injunction to the Debtors.

4.5.2 Except as otherwise expressly provided in the Plan, the Talc Personal Injury Trust Agreement, or the Trust Distribution Procedures, the Talc Personal Injury

Trust shall have control over the Talc Personal Injury Trust Causes of Action and the Talc Insurance Actions, and the Talc Personal Injury Trust shall thereby become the estate representative pursuant to section 1123(b)(3)(B) of the Bankruptcy Code with the exclusive right to enforce each of the Talc Personal Injury Trust Causes of Action and Talc Insurance Actions, and the proceeds of the recoveries on any of the Talc Personal Injury Trust Causes of Action or the Talc Insurance Actions shall be deposited in and become the property of the Talc Personal Injury Trust and the Talc Personal Injury Trust shall have the right to enforce the Plan and any of the other Plan Documents (including but not limited to the Cooperation Agreement) according to their respective terms, including the right to receive the Talc Personal Injury Trust Assets as provided in this Plan; *provided, however*, (a) the Talc Personal Injury Trust shall have no other rights against the Reorganized Debtors or the Protected Parties except to enforce the Plan and any of the other Plan Documents; (b) the Talc Personal Injury Trust Causes of Action and the Talc Insurance Actions shall not include any of the Talc Insurer Coverage Defenses; (c) the Talc Personal Injury Trust Causes of Action and the Talc Insurance Actions shall not include any claims fully and finally released, compromised, or settled pursuant to the Plan; and (d) for the avoidance of doubt, the Talc Personal Injury Trust Causes of Action and the Talc Insurance Actions do not include any rights of the Debtors, the Reorganized Debtors, or the other Protected Parties arising under the Channeling Injunction or any of the other injunctions, releases, or the discharge granted under the Plan and the Confirmation Order.

4.6 Transfer of Talc Personal Injury Trust Assets to the Talc Personal Injury Trust.

4.6.1 Transfers on the Effective Date. On the Effective Date, all right, title, and interest in and to the Talc Personal Injury Trust Assets (including the Sale Proceeds) and any proceeds thereof shall be automatically, and without further act or deed, transferred to, vested in, and assumed by the Talc Personal Injury Trust free and clear of all Claims, Equity Interests, Encumbrances, and other interests of any Entity, subject to the Channeling Injunction and other provisions of the Plan. On the Effective Date, (i) Imerys S.A. and ITI shall issue and deliver the Talc PI Note to the Talc Personal Injury Trust and (ii) Mircal Italia shall execute the Talc PI Pledge Agreement, such that the Talc Personal Injury Trust shall be the sole holder of the Talc PI Note.

4.6.2 Transfers After the Effective Date. To the extent any of the Talc Personal Injury Trust Assets are not transferred to the Talc Personal Injury Trust by operation of law on the Effective Date pursuant to the Plan, then when such assets accrue or become transferable subsequent to the Effective Date, they shall automatically and immediately transfer to the Talc Personal Injury Trust. To the extent that action of the Reorganized Debtors is required to effectuate such transfer, the Reorganized Debtors shall promptly transfer, assign, and contribute, such remaining Talc Personal Injury Trust Assets to the Talc Personal Injury Trust. In the event the Reorganized Debtors breach any obligation contained in this section, the Talc Personal Injury Trust will have no adequate remedy at law and shall be entitled to preliminary and permanent declaratory and injunctive relief.

4.7 Talc Personal Injury Trust Expenses. The Talc Personal Injury Trust shall pay all Talc Personal Injury Trust Expenses from the Talc Personal Injury Trust Assets, including proceeds of applicable Talc Insurance Policies. The Talc Personal Injury Trust shall bear sole

responsibility with respect to the payment of the Talc Personal Injury Trust Expenses. Additionally, the Talc Personal Injury Trust shall promptly pay all reasonable and documented Talc Personal Injury Trust Expenses incurred by the Reorganized Debtors for any and all liabilities, costs or expenses as a result of taking action on behalf of or at the direction of the Talc Personal Injury Trust.

4.8 Excess Talc Personal Injury Trust Assets. To the extent there are any Talc Personal Injury Trust Assets remaining at such time as the Talc Personal Injury Trust is dissolved, such excess Talc Personal Injury Trust Assets shall be transferred to a charity or charities for such charitable purposes as the Talc Trustee[s], in [their/its] reasonable discretion, shall determine.

4.9 Dissolution of the Talc Personal Injury Trust. The Talc Personal Injury Trust shall be dissolved upon satisfaction of the purposes of the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Documents. Upon dissolution of the Talc Personal Injury Trust: (a) the Talc Trustee[s] and the Talc Trust Advisory Committee Members shall be released and discharged from all further authority, duties, responsibilities, and obligations relating to and arising from and in connection with the Chapter 11 Cases, and (b) the Talc Trust Advisory Committee shall be dissolved.

4.10 Funds and Investment Guidelines. All monies held in the Talc Personal Injury Trust shall be invested, subject to the investment limitations and provisions enumerated in the Talc Personal Injury Trust Agreement.

4.11 Cooperation Agreement. The Debtors, Imerys, and the Talc Personal Injury Trust shall enter into the Cooperation Agreement on the Effective Date in substantially the form contained in the Plan Supplement that provides for the transfer and assignment of certain documents of the Debtors to the Talc Personal Injury Trust. The parties to the Cooperation Agreement shall be bound by the terms thereof.

4.12 Talc Personal Injury Trust Indemnification of the Protected Parties. From and after the Effective Date, the Talc Personal Injury Trust shall indemnify, to the fullest extent permitted by applicable law, each of the Debtors, the Reorganized Debtors, and the other Protected Parties for reasonable documented out-of-pocket expenses (including, without limitation, attorney's fees and expenses) that occur after the Effective Date attributable to the defense of any Talc Personal Injury Claim asserted against the Debtors, Reorganized Debtors, or the other Protected Parties.

4.13 Post-Effective Date Liabilities. Notwithstanding anything to the contrary in the Plan Documents or the Confirmation Order, neither any claim against nor the liability of any Entity arising out of or relating to the alleged post-Effective Date acts or omissions of such Entity (each, a "**Post-Effective Date Liability**") shall be a Talc Personal Injury Claim. No Post-Effective Date Liabilities are affected by the filing of the Chapter 11 Cases, confirmation or effectiveness of the Plan, or any of the transactions effectuated in connection therewith. To the extent an individual has both a Talc Personal Injury Claim and a claim based on any Post-Effective Date Liability, that individual may seek recovery from the Talc Personal Injury Trust in accordance with the Talc Personal Injury Trust Documents and will retain any and all rights under applicable law with respect to such Post-Effective Date Liabilities.

ARTICLE V
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

5.1 General Treatment.

5.1.1 Subject to Section 5.7 hereof, except as otherwise provided herein, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, all Executory Contracts or Unexpired Leases of the North American Debtors, shall be deemed rejected as of the Effective Date, unless such Executory Contract or Unexpired Lease (i) was assumed or rejected previously by the North American Debtor counterparty thereto, (ii) previously expired or terminated pursuant to its own terms, (iii) is the subject of a motion to assume filed on or before the Effective Date, (iv) is identified as an Executory Contract or Unexpired Lease to be assumed by the North American Debtors pursuant to the Sale Order; or (v) is identified as an Executory Contract or Unexpired Lease to be assumed by the North American Debtors pursuant to the Plan Supplement.

5.1.2 Notwithstanding the foregoing, in the event that ITI becomes a Debtor before the Effective Date, all Executory Contracts and Unexpired Leases of ITI will be assumed by ITI, except for those Executory Contracts and Unexpired Leases that (i) have been rejected by ITI by order of the Bankruptcy Court, (ii) are the subject of a motion to reject filed by ITI that is pending as of the Effective Date, (iii) are identified as Executory Contracts and Unexpired Leases to be rejected by ITI in the Plan Supplement, or (iv) are rejected or terminated by ITI pursuant to the terms of the Plan. All Executory Contracts or Unexpired Leases to be assumed by ITI will be identified in the Plan Supplement.

5.1.3 Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumption or rejection of Executory Contracts and Unexpired Leases, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases are effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party on or before the Effective Date shall (i) in the case of an Executory Contract or Unexpired Lease that is a Talc Personal Injury Trust Asset, be assigned to the Talc Personal Injury Trust on the date such trust is established or as soon as reasonably practicable thereafter, and shall vest in, and be fully enforceable by the Talc Personal Injury Trust in accordance with its terms, except as such terms may have been modified by such order, or (ii) revert in and be fully enforceable by the Reorganized Debtors, as applicable, in accordance with its terms, except as such terms may have been modified by such order.

5.1.4 Notwithstanding anything to the contrary in the Plan, (i) the North American Debtors reserve the right to alter, amend, modify, or supplement the list of Executory Contracts and Unexpired Leases to be assumed by the North American Debtors identified in the Plan Supplement at any time before the date that is fourteen (14) days prior to the Confirmation Hearing, and (ii) ITI reserves the right to alter, amend, modify, or supplement the list of Executory Contracts and Unexpired Leases to be rejected by ITI identified in the Plan Supplement and the list of Executory Contracts and Unexpired Leases

to be assumed by ITI identified in the Plan Supplement at any time before the date that is fourteen (14) days prior to the Confirmation Hearing. After the Effective Date, the Reorganized Debtors, or any assignee, as applicable, shall have the right to terminate, amend, or modify any intercompany contracts, leases or other agreements to which they are a party without approval of the Bankruptcy Court.

5.2 Claims Based on Rejection of Executory Contracts or Unexpired Leases.

5.2.1 If the rejection or deemed rejection of an Executory Contract or Unexpired Lease by any Debtor (for the avoidance of doubt, including ITI) results in damages to the other party or parties to such Executory Contract or Unexpired Lease, a Claim for such damages shall be forever barred and shall not be enforceable against any of the Debtors, the Reorganized Debtors, any assignee, or their properties, whether by way of setoff, recoupment, or otherwise unless a Proof of Claim is filed with the Claims Agent and served upon counsel for the Debtors by the *earlier* of (i) thirty (30) days after the Effective Date, and (ii) thirty (30) days after entry of a Final Order rejecting such Executory Contract or Unexpired Lease pursuant to a motion filed by any Debtor.

5.2.2 Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed with the Bankruptcy Court within such time period provided in Section 5.2.1 will be automatically disallowed, forever barred from assertion and shall not be enforceable, without the need for any objection, or further notice to, or action, order or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of an Executory Contract or Unexpired Lease shall be classified as a Class 3a or Class 3b Unsecured Claim against the applicable North American Debtor or ITI, and shall be treated in accordance with Article III of the Plan.

5.3 Cure of Defaults for Executory Contracts and Unexpired Leases.

5.3.1 Notwithstanding anything to the contrary contained herein, any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Distribution Date (i) from the Administrative Claim Reserve (if assumed by one of the North American Debtors pursuant to the Plan and Plan Supplement, but for the avoidance of doubt, not if assumed by the North American Debtors pursuant to the Sale Order), or (ii) by Reorganized ITI (if assumed by ITI), subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments necessary to cure such a default, (2) the ability of the Debtors or any assignee to provide any “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption.

5.3.2 On or prior to July 3, 2020, the North American Debtors shall distribute, or cause to be distributed, notices of proposed assumption and proposed Cure Amounts to

the applicable counterparty or counterparties to each such Executory Contract or Unexpired Lease (including counterparties to Executory Contracts and/or Unexpired Leases with ITI), which notices shall include procedures for objecting to the proposed assumption of such Executory Contract or Unexpired Lease and any Cure Amounts to be paid in connection therewith, and the anticipated procedure for resolution of disputes by the Bankruptcy Court. Any objection to a proposed assumption (including any objection as to adequate assurance of future performance) or related Cure Amount by a counterparty to an Executory Contract or Unexpired Lease must be filed, served and actually received by counsel to the Debtors on the date that is the earlier of (i) fourteen (14) days after the service of the notices of proposed assumption and proposed Cure Amounts to the counterparties, and (ii) three (3) Business Days prior to the Confirmation Hearing. Any unresolved objection shall be heard at the Confirmation Hearing, unless otherwise agreed by the parties or at such other date and time as may be fixed by the Bankruptcy Court. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to any proposed assumption and/or Cure Amount will be deemed to have assented to such assumption and/or Cure Amount. To the extent an Executory Contract or Unexpired Lease with ITI is not identified as an Executory Contract or Unexpired Lease to be assumed or rejected by ITI, then the Cure Amount for such Executory Contract and Unexpired Lease is \$0 and such Executory Contract or Unexpired Lease will be assumed by ITI pursuant to the Plan.

5.3.3 Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the effective date of the assumption.

5.4 Modifications, Amendments, Supplements, Restatements or Other Agreement.

5.4.1 Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated, or is rejected or repudiated under the Plan.

5.4.2 Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

5.5 Reservation of Rights. Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on (i) the list of the Executory Contracts and Unexpired Leases to be assumed by the North American Debtors, (ii) the lists of the Executory Contracts and Unexpired

Leases to be assumed or rejected by ITI, as applicable, or (iii) anything contained in the Plan or Plan Supplement, shall constitute an admission by any of the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtors, or any assignee has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors, the Reorganized Debtors, or any assignee, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

5.6 Talc Insurance Policies and Talc Insurance Settlement Agreements. Notwithstanding Section 5.1 above, all Talc Insurance Policies and Talc Insurance Settlement Agreements entered into prior to the Petition Date shall be considered non-executory contracts and shall neither be assumed nor rejected by the Debtors. Other than the permissibility of the Assignment, which is to be determined by or in connection with Confirmation of the Plan, the rights and obligations of the parties under such Talc Insurance Policies and Talc Insurance Settlement Agreements, including the question of whether any breach has occurred, shall be determined under applicable law.

5.7 Non-Talc Insurance Policies. The Debtors do not believe that the Non-Talc Insurance Policies (or settlements related thereto) constitute executory contracts. However, to the extent such Non-Talc Insurance Policies are considered to be executory contracts, then, notwithstanding anything contained in Article V to the contrary, the Plan will constitute a motion to assume such Non-Talc Insurance Policies, and authorize the Reorganized Debtors, as applicable, to pay all future obligations, if any, in respect thereof. Subject to the occurrence of the Effective Date, the entry of the Confirmation Order will constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of the Debtors, their respective Estates and all parties in interest. Unless otherwise determined by the Bankruptcy Court pursuant to a Final Order or agreed to by the parties thereto prior to the Effective Date, no payments are required to cure any defaults of any Debtor existing as of the Confirmation Date with respect to each such Non-Talc Insurance Policy. Notwithstanding anything to the contrary contained herein, Confirmation of the Plan shall not discharge, impair or otherwise modify any obligations assumed by the foregoing assumption of the Non-Talc Insurance Assets, and each such obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed.

ARTICLE VI DISTRIBUTIONS UNDER THE PLAN ON ACCOUNT OF CLAIMS

6.1 Distributions. Distributions on account of Allowed Non-Talc Claims shall be made on or after the Distribution Date as provided in the Plan. All Talc Personal Injury Claims shall be liquidated and, as appropriate, paid by the Talc Personal Injury Trust pursuant to and in accordance with the Talc Personal Injury Trust Agreement and the Trust Distribution Procedures.

6.2 Timing and Calculation of Amounts to be Distributed.

6.2.1 Except as otherwise provided in the Plan, on the Effective Date or as soon as reasonably practicable thereafter (or if a Claim is not an Allowed Claim on the Effective

Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each holder of an Allowed Non-Talc Claim shall receive the full amount of the Distribution that the Plan provides for such Allowed Claim in the applicable Class and in the manner provided herein. In the event that any payment or act under the Plan 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.

6.2.2 If and to the extent that there are Disputed Non-Talc Claims, Distributions on account of any such Disputed Non-Talc Claims shall be made pursuant to the provisions set forth in this Article VI of the Plan.

6.3 Disbursing Agent. Except as otherwise provided herein, all Distributions under the Plan shall be made by the Disbursing Agent. The Reorganized Debtors, or any such other Entity or Entities designated by the Reorganized Debtors, shall serve as Disbursing Agent for all Non-Talc Claims.

6.4 Rights and Powers of Disbursing Agent.

6.4.1 The Disbursing Agent shall be empowered to: (i) affect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (ii) make all Distributions contemplated hereby; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions thereof.

6.4.2 Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors from the Reorganized North American Debtor Cash Reserve.

6.5 Distributions on Account of Claims Allowed After the Effective Date. Notwithstanding any other provision of the Plan, no Distributions shall be made under the Plan on account of any Disputed Non-Talc Claim, unless and until such Disputed Non-Talc Claim becomes an Allowed Non-Talc Claim. Distributions made after the Effective Date to holders of Disputed Non-Talc Claims that are not Allowed Non-Talc Claims as of the Effective Date but which later become Allowed Non-Talc Claims shall be made as if such Claim had been an Allowed Claim on the Effective Date. Except as otherwise may be agreed to by the Debtors or the Reorganized Debtors, on the one hand, and the holder of a Disputed Non-Talc Claim, on the other hand, and notwithstanding any provision otherwise in the Plan, no partial payments and no partial Distributions shall be made with respect to any Disputed Non-Talc Claim until all Disputed Non-Talc Claims held by the holder of such Disputed Non-Talc Claim have become Allowed Non-Talc Claims or have otherwise been resolved by settlement or Final Order.

6.6 Delivery of Distributions and Undeliverable or Unclaimed Distributions.

6.6.1 Delivery of Distributions to Holders of North American Debtor Claims. Except as otherwise provided in the Plan, Distributions to holders of Allowed North American Debtor Claims shall be made to holders of record as of the Distribution Record Date by the Disbursing Agent: (a) to the signatory set forth on any of the Proof of Claim filed by such holder or other representative identified therein (or at the last known addresses of such holder if no Proof of Claim is filed or if the North American Debtors have been notified in writing of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; or (c) at the addresses reflected in the Schedules if no Proof of Claim has been filed and the Disbursing Agent has not received a written notice of a change of address.

6.6.2 Delivery of Distributions to Holders of ITI Claims. The legal, equitable, and contractual rights of the holders of ITI Claims are unaltered by the Plan. Except to the extent that a holder of an ITI Claim agrees to a different treatment, on and after the Effective Date, Reorganized ITI will continue to pay or dispute each ITI Claim in the ordinary course of business in accordance with applicable law.

6.6.3 Full Benefit of Distributions. Distributions under the Plan on account of Non-Talc Claims shall not be subject to levy, garnishment, attachment or similar legal process, so that each holder of an Allowed Non-Talc Claim shall have and receive the benefit of the Distributions in the manner set forth in the Plan. None of the Debtors, the Reorganized Debtors, or the applicable Disbursing Agent shall incur any liability whatsoever on account of any Distributions under the Plan except where such Distributions are found by Final Order to have been made with gross negligence, willful misconduct or fraud.

6.6.4 Undeliverable Distributions and Unclaimed Property. In the event that any Distribution to any holder of an Allowed Non-Talc Claim is returned as undeliverable, no further Distribution to such holder shall be made unless and until the Disbursing Agent has determined the then current address of such holder, at which time such Distribution shall be made as soon as practicable after such Distribution has become deliverable to such holder without interest; *provided, however*, that such Distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and forfeited at the expiration of three (3) months from the applicable Distribution Date. After such date, (i) all “unclaimed property” or interests in property in respect of the Reorganized North American Debtors shall revert to the applicable Reserve used to fund the Allowed Non-Talc Claim to be held and/or disbursed in accordance with the Plan, or, to the Reorganized North American Debtors to be used and/or disbursed in accordance with the Plan if the applicable Reserve is no longer in effect, and (ii) all “unclaimed property” or interests in property in respect of ITI shall revert to ITI (in each case, (i) and (ii), notwithstanding any applicable federal or state escheat, abandoned or unclaimed property laws to the contrary). The claim of any holder to such property or interest in property shall be discharged and forever barred.

6.7 Time Bar to Cash Payments. Checks issued by the Disbursing Agent in respect of Allowed Non-Talc Claims shall be null and void if not cashed within one hundred and eighty (180) days of the date of issuance thereof. The holder of the Allowed Non-Talc Claim with respect to which such check originally was issued may make a request for re-issuance of any check directly to the Disbursing Agent; *provided, however*, that any such request for re-issuance of a check shall be made on or before the twelve (12) month anniversary of the Distribution Date. After such date, all Non-Talc Claims in respect of void checks shall be discharged and forever barred.

6.8 Disbursing Agent's Obligation to Provide Periodic Reporting. The Disbursing Agent will provide quarterly reporting on the status of the claims process of the Reorganized North American Debtors including funds remaining in each of the Reserves to the Talc Personal Injury Trust, the Talc Trust Advisory Committee, the FCR, and Imerys S.A. The first quarterly report will encompass the first three full months following the Effective Date (plus any partial month during which the Effective Date occurs). Each report will be delivered within thirty (30) days of the conclusion of the preceding quarterly period. These reports will not be filed with the Bankruptcy Court.

6.9 Record Date for Holders of Claims. Except as otherwise provided in an order of the Bankruptcy Court that is not subject to any stay, the transferees of Claims that are transferred pursuant to Rule 3001 of the Bankruptcy Rules, on or prior to the Distribution Record Date, shall be treated as the holders of such Claims for all purposes, notwithstanding that any period provided by Rule 3001 of the Bankruptcy Rules for objecting to such transfer has not expired by the Distribution Record Date. If there is any dispute regarding the identity of the Person entitled to receive a Distribution in respect of a Claim under the Plan, no Distribution need be made in respect of such Claim until such dispute has been resolved.

6.10 Compliance with Tax Requirements and Allocations.

6.10.1 In connection with the Plan and all Distributions hereunder, the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any federal, state or local taxing authority, and all Distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the Distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding Distributions pending receipt of information necessary to facilitate such Distributions including tax certification forms, or establishing any other mechanisms it believes are reasonable and appropriate.

6.10.2 For tax purposes, Distributions in full or partial satisfaction of Allowed Claims shall be allocated first to the principal amount of Allowed Claims, with any excess allocated to unpaid interest that accrued on such Claims.

6.11 Transfers of Claims. In the event that the holder of any Claim shall transfer such Claim after the Distribution Record Date, it shall immediately advise the applicable Reorganized Debtor(s) or the Talc Personal Injury Trust (to the extent it pertains to a Talc Personal Injury

Claim), in writing of such transfer and file a notice of the transfer with the Bankruptcy Court. The Reorganized Debtors or the Talc Personal Injury Trust, as the case may be, shall be entitled to assume that no transfer of any Claim has been made by any holder unless and until written notice of a transfer has been actually received by the applicable Reorganized Debtor(s) or the Talc Personal Injury Trust, as applicable. Each transferee of any Claim shall take such Claim subject to the provisions of the Plan, and, except as provided in a notice of transfer, the Reorganized Debtors or the Talc Personal Injury Trust, as the case may be, shall be entitled to assume conclusively that the transferee named in any notice of transfer shall thereafter be vested with all rights and powers of the transferor of such Claim.

6.12 Interest on Impaired and Disputed Claims. Except as specifically provided for herein or in the Talc Personal Injury Trust Documents (as related to Talc Personal Injury Claims), interest shall not accrue on Impaired Claims, and no holder of an Impaired Claim shall be entitled to interest accruing on or after the Petition Date on any such Impaired Claim. Interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Petition Date to the date a Distribution is made thereon if and after such Disputed Claim becomes an Allowed Claim.

6.13 Setoffs. The Debtors and the Reorganized Debtors (or the Talc Personal Injury Trust to the extent it pertains to a Talc Personal Injury Claim) may, pursuant to the applicable provisions of the Bankruptcy Code, or applicable non-bankruptcy law, set off against any applicable Allowed Claim (before any Distribution is made on account of such Claim) any and all claims, rights, causes of action, debts or liabilities of any nature that the Debtors or the Reorganized Debtors (or the Talc Personal Injury Trust (in its own right or as assignee of the Debtors) to the extent it pertains to a Talc Personal Injury Claim) may hold against the holder of such Allowed Claim; *provided, however*, that the failure to effect such a setoff shall not constitute a waiver or release of any such claims, rights, causes of action, debts or liabilities.

ARTICLE VII RESOLUTION OF DISPUTED CLAIMS OTHER THAN TALC PERSONAL INJURY CLAIMS

7.1 Disputed Claims. All Disputed Claims against the Debtors, other than Talc Personal Injury Claims, Administrative Claims, and Fee Claims, shall be subject to the provisions of this Article VII. All Talc Personal Injury Claims shall be resolved by the Talc Personal Injury Trust in accordance with the Talc Personal Injury Trust Documents. All Administrative Claims and Fee Claims shall be determined and, if Allowed, paid in accordance with Article II of the Plan.

7.2 Prosecution of Claims Generally.

7.2.1 Subject to the provisions contained herein, including as set forth in Section 11.7.2 of the Plan, after the Effective Date, only the Reorganized Debtors may object to the allowance of any Non-Talc Claim, except that the United States Trustee, the FCR, the other Notice Parties (as that term is defined in the Compensation Procedures Order), and Imerys, as applicable, shall also have standing and capacity to object to the Fee Claims of the Professionals. After the Effective Date, the Reorganized Debtors shall be accorded the power and authority to allow or settle and compromise any Non-Talc Claim, except for Fee Claims, without notice to any other party or approval of or notice to the

Bankruptcy Court. For the avoidance of doubt, no fees resulting from objections to the Fee Claims, other than objections by the Reorganized Debtors and/or the Fee Examiner will be funded by the Reorganized Debtors.

7.2.2 Notwithstanding anything to the contrary in this Article VII, (i) resolution of Talc Personal Injury Claims shall be handled exclusively by the Talc Personal Injury Trust in accordance with the Talc Personal Injury Trust Documents, (ii) objections to Fee Claims shall be handled in accordance with the Compensation Procedures Order, subject to Section 2.3, and (iii) objections to Administrative Claims (excluding Fee Claims) shall be handled in accordance with Section 2.1 of the Plan.

7.2.3 Notwithstanding anything to the contrary in this Article VII, objections to Non-Talc Claims against ITC shall be subject to review by the Information Officer.

7.3 Prosecution of Disputed North American Debtor Claims and Claims Objection Deadline.

7.3.1 Each Reorganized North American Debtor shall have the right, after the Effective Date, to file objections to the North American Debtor Claims that have not already been Allowed by Final Order, agreement, or the Plan, and litigate to judgment, settle, or withdraw such objections to Disputed North American Debtor Claims; *provided* that objections to and the prosecution of Non-Talc Claims against ITC shall be subject to review by the Information Officer. Without limiting the foregoing, each Reorganized North American Debtor, as applicable, shall have the right to litigate any Disputed North American Debtor Claim either in the Bankruptcy Court or in any court of competent jurisdiction.

7.3.2 Unless otherwise ordered by the Bankruptcy Court, objections to North American Debtor Claims (other than Administrative Claims, Fee Claims, or late-filed Claims) shall be filed with the Bankruptcy Court and served upon the holders of each such North American Debtor Claim to which objections are made on or before the Claims Objection Bar Date, unless extended by order of the Bankruptcy Court prior to the expiration of such period. Objections to late-filed Claims against the North American Debtors shall be filed before the later of (i) six (6) months following the Effective Date, or (ii) ninety (90) days after the Reorganized North American Debtors receive actual notice of the filing of such Claim.

7.4 ITI Claims.

7.4.1 Except as otherwise provided in the Plan, holders of ITI Claims or Equity Interests in ITI shall not be required to file a Proof of Claim or proof of interest, and no such parties should file a Proof of Claim or proof of interest. The legal equitable, and contractual rights of holders of ITI Claims are unaltered by the Plan. Except to the extent that a holder of an ITI Claim agrees to a different treatment, on and after the Effective Date, Reorganized ITI will continue to pay or dispute each ITI Claim in the ordinary course of business in accordance with applicable law. ITI may, in its discretion, file with the Bankruptcy Court (or any other court of competent jurisdiction) an objection to the

allowance of any ITI Claim or any other appropriate motion or adversary proceeding with respect thereto. All such objections will be litigated to Final Order; *provided, however*, that ITI or Reorganized ITI, as applicable, may compromise, settle, withdraw, or resolve by any other method approved by the Bankruptcy Court any objections to ITI Claims.

7.4.2 ITI or Reorganized ITI, as applicable, shall have the exclusive authority to file, settle, compromise, withdraw or litigate to judgment any objections to ITI Claims or Equity Interests in ITI as permitted under the Plan. From and after the Effective Date, Reorganized ITI may settle or compromise any Disputed ITI Claim or Disputed Equity Interest in ITI without approval of the Bankruptcy Court. ITI also reserves the right to resolve any Disputed ITI Claim or Disputed Equity Interest in ITI outside the jurisdiction of the Bankruptcy Court under applicable governing law.

7.5 Distributions on Account of Disputed Claims. At such time as determined to be practicable by the Reorganized Debtors, the Disbursing Agent will make Distributions on account of any Disputed Claim that has become Allowed. Such Distributions will be made pursuant to the applicable provisions of Article VI of the Plan.

7.6 No Distributions Pending Allowance. No Distributions or other consideration shall be paid with respect to any Claim that is a Disputed Claim unless and until all objections to such Disputed Claim are resolved by agreement or Final Order and such Disputed Claim becomes an Allowed Claim.

7.7 Estimation of Claims. The Debtors (before the Effective Date) or the Reorganized Debtors (on or after the Effective Date) may, at any time request that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed Claim, that estimated amount will constitute either the Allowed Amount of such Claim or a maximum limitation on such Claim against any party or Entity, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors (before the Effective Date) or the Reorganized Debtors (on or after the Effective Date), may elect to pursue any supplemental proceedings to object to any ultimate Distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, objected to, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

7.8 Disputed Claims Reserve for the North American Debtors.

7.8.1 On the Effective Date, the North American Debtors shall deposit in the Disputed Claims Reserve the Cash that would have been distributed to the holders of Disputed North American Debtor Claims if such Disputed North American Debtor Claims had been Allowed Claims as of the Effective Date. The Disputed Claims Reserve shall be funded from Cash on hand of the North American Debtors on the Effective Date and/or the

Imerys Cash Contribution (excluding the Contingent Contribution). The amount to be deposited shall be determined based on the lesser of (1) the asserted amount of the Disputed North American Debtor Claims in the applicable Proofs of Claim; (2) the amount, if any, estimated by the Bankruptcy Court pursuant to (i) section 502(c) of the Bankruptcy Code or (ii) Section 7.7 of the Plan if, after the Effective Date, a motion is filed by any Reorganized North American Debtor to estimate such Claim; (3) the amount otherwise agreed to by the Debtors (or the Reorganized North American Debtors, if after the Effective Date) and the holders of such Disputed North American Debtor Claims; or (4) any amount otherwise approved by the Bankruptcy Court.

7.8.2 If a North American Debtor Claim that remains a Disputed Claim as of the Effective Date is thereafter Allowed in whole or in part, the Disbursing Agent shall (at such time as determined to be practicable by the Reorganized North American Debtors) distribute from the Disputed Claims Reserve, to the holder of such North American Debtor Claim, the Cash that such holder would have received on account of such Claim if such Claim had been an Allowed Claim on the Effective Date.

7.8.3 The Reorganized North American Debtors shall determine, on each six (6) month anniversary of the Effective Date, whether the amounts available in the Reorganized North American Debtor Cash Reserve are in excess of the amount necessary to satisfy the purpose for which such reserve was established. If the Reorganized North American Debtors determine a surplus exists in the Reorganized North American Debtor Cash Reserve as of the date of such determination, such surplus Cash shall be allocated to the Disputed Claims Reserve to the extent such reserve is insufficiently funded to satisfy the purpose for which such reserve was established.

7.9 Disputed ITI Claims. If a Claim against ITI that remains a Disputed Claim as of the Effective Date is thereafter Allowed in whole or in part, the Disbursing Agent (at such time as determined to be practicable by Reorganized ITI) will distribute from the monies available at Reorganized ITI, to the holder of such Claim, the monies that such holder would have received on account of such Claim if such Claim had been an Allowed Claim on the Effective Date.

7.10 Distribution of Excess Amounts in the Disputed Claims Reserve for the North American Debtors. When all Disputed North American Debtor Claims are resolved and either become Allowed or Disallowed, to the extent Cash remains in the Disputed Claims Reserve after all holders of such Claims have been paid the full amount they are entitled to pursuant to the treatment set forth for under the Plan, then such excess amounts will be transferred to the Talc Personal Injury Trust and become Talc Personal Injury Trust Assets, whereby such excess amounts will be made available to satisfy Talc Personal Injury Trust Expenses and for disbursement to holders of Claims in Class 4 pursuant to the Trust Distribution Procedures.

ARTICLE VIII
ACCEPTANCE OR REJECTION OF PLAN; EFFECT OF REJECTION
BY ONE OR MORE CLASSES OF CLAIMS OR EQUITY INTERESTS

8.1 Classes Entitled to Vote. Holders of Talc Personal Injury Claims shall be entitled to vote to the extent and in the manner provided in the Voting Procedures Order and the Plan. .

8.2 Acceptance of Holders of Talc Personal Injury Claims. Pursuant to sections 1126(c) and 524(g)(2)(B)(ii)(IV)(bb) of the Bankruptcy Code, Class 4 (Talc Personal Injury Claims) shall have accepted the Plan only if at least two-thirds (2/3) in amount and seventy-five percent (75%) of the members in Class 4 actually voting on the Plan have voted to accept the Plan.

8.3 Acceptance by Unimpaired Class. Classes 1, 2, 3a, 3b, 5b, and 7 are Unimpaired under the Plan and are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

8.4 Acceptance by Impaired Class. Classes 5a and 6 will not receive or retain any property or distribution under the Plan and are Impaired under the Plan. Notwithstanding, Classes 5a and 6 are presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code because all holders of Claims or Equity Interests (as applicable) in Classes 5a and 6 are Plan Proponents and have consented to their treatment under the Plan.

ARTICLE IX CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

9.1 Conditions Precedent to the Confirmation of the Plan. Confirmation of the Plan shall not occur unless each of the following conditions has been satisfied or waived pursuant to Section 9.3 of the Plan:

9.1.1 The Bankruptcy Court shall have entered an order, acceptable in form and substance to each of the Plan Proponents approving the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

9.1.2 Class 4 shall have voted in requisite numbers and amounts in favor of the Plan as required by sections 524(g), 1126, and 1129 of the Bankruptcy Code.

9.1.3 The Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto, shall be consistent with (i) section 524(g) of the Bankruptcy Code, as applicable, and (ii) the other provisions of the Plan.

9.1.4 The Reorganized North American Debtors shall have sufficient funds from Cash on hand and/or the Unsecured Claim Contribution to resolve all Allowed Class 3a Claims and to adequately fund the Disputed Claims Reserve as determined by each of the Plan Proponents.

9.1.5 The Bankruptcy Court shall have made such findings and determinations regarding the Plan as shall enable the entry of the Confirmation Order and any other order in conjunction therewith, in form and substance acceptable to each of the Plan Proponents. These findings and determinations, which are designed, among other things, to ensure that the Injunctions, releases and discharges set forth in Article XII shall be effective, binding and enforceable, and shall among other things conclude:

(i) Good Faith Compliance. The Plan complies with all applicable provisions of the Bankruptcy Code including, without limitation, that the Plan be proposed in good faith and that the Confirmation Order not be procured by fraud.

(ii) Voting. Class 4 has voted in requisite numbers and amounts in favor of the Plan as required by each of sections 524(g), 1126, and 1129 of the Bankruptcy Code.

(iii) Injunctions. The Channeling Injunction, the Insurance Entity Injunction, and the Supplemental Settlement Injunction Order are to be implemented in connection with the Talc Personal Injury Trust.

(iv) Named Defendants. As of the Petition Date, one or more of the Debtors had been named as a defendant in personal injury, wrongful death or property damage actions seeking recovery for damages allegedly caused by the presence of, or exposure to, talc or talc-containing products.

(v) Assumption of Certain Liabilities. Upon the Effective Date, the Talc Personal Injury Trust shall assume the liabilities of the Protected Parties with respect to Talc Personal Injury Claims and have exclusive authority as of the Effective Date to satisfy or defend such Talc Personal Injury Claims.

(vi) Funding of Talc Personal Injury Trust. The Talc Personal Injury Trust will be funded with the Talc Personal Injury Trust Assets, including the Talc PI Note, which will be secured by a majority of the common stock of Reorganized ITI, pursuant to the Talc PI Pledge Agreement, and include the right to receive distributions on account of the Talc PI Note pursuant to the terms set forth in the Talc PI Note.

(vii) Stock Ownership. The Talc Personal Injury Trust, on the Effective Date, by the exercise of rights granted under the Plan, (i) will receive the Reorganized North American Debtor Stock and shall maintain the rights to receive dividends or other distributions on account of such stock, and (ii) will be entitled to own the majority of the common stock of Reorganized ITI if specific contingencies occur.

(viii) Use of Talc Personal Injury Trust Assets. The Talc Personal Injury Trust will use its assets and income to resolve Talc Personal Injury Claims.

(ix) Likelihood of Talc Personal Injury Demands. The Debtors are likely to be subject to substantial future Talc Personal Injury Demands for payment arising out of the same or similar conduct or events that gave rise to the Talc Personal Injury Claims that are addressed by the Channeling Injunction and the Insurance Entity Injunction.

(x) Talc Personal Injury Demands Indeterminate. The actual amounts, numbers, and timing of future Talc Personal Injury Demands cannot be determined.

(xi) Likelihood of Threat to Plan's Purpose. Pursuit of Talc Personal Injury Claims, including Talc Personal Injury Demands, outside of the procedures prescribed by the Plan and the Plan Documents, including the Trust Distribution Procedures, is likely to threaten the Plan's purpose to treat the Talc Personal Injury Claims and Talc Personal Injury Demands equitably.

(xii) Injunctions Conspicuous. The terms of the Discharge Injunction, the Channeling Injunction, the Supplemental Settlement Injunction Order, the Release Injunction, and the Insurance Entity Injunction, including any provisions barring actions against third parties, are set out in conspicuous language in the Plan and in the Disclosure Statement.

(xiii) Appropriate Trust Mechanisms. Pursuant to court orders or otherwise, the Talc Personal Injury Trust shall operate through mechanisms such as structured, periodic or supplemental payments, pro rata distributions, matrices or periodic review of estimates of the numbers and values of Talc Personal Injury Claims or other comparable mechanisms, that provide reasonable assurance that the Talc Personal Injury Trust will value, and be in a financial position to pay, Talc Personal Injury Claims that involve similar Claims in substantially the same manner regardless of the timing of the assertion of such Talc Personal Injury Claims.

(xiv) Future Claimants' Representative. The FCR was appointed by the Bankruptcy Court as part of the proceedings leading to the issuance of the Channeling Injunction, the Insurance Entity Injunction, and the Supplemental Settlement Injunction Order, for the purpose of, among other things, protecting the rights of persons that might subsequently assert Talc Personal Injury Demands of the kind that are addressed in the Channeling Injunction, the Insurance Entity Injunction, and the Supplemental Settlement Injunction Order, and transferred to and assumed by the Talc Personal Injury Trust.

(xv) Fair and Equitable Inclusion. The inclusion of each Debtor or other Protected Party within the protection afforded by the Channeling Injunction and the Insurance Entity Injunction, as applicable, is fair and equitable with respect to the Persons that might subsequently assert Talc Personal Injury Demands against each such Debtor or other Protected Party in light of the benefits provided, or to be provided, to the Talc Personal Injury Trust by or on behalf of each such Debtor or other Protected Party.

(xvi) Sections 105(a) and 524(g) Compliance. The Plan complies with sections 105(a) and 524(g) of the Bankruptcy Code to the extent applicable.

(xvii) Injunctions Essential. The Discharge Injunction, the Channeling Injunction, the Supplemental Settlement Injunction Order, the Release Injunction, and the Insurance Entity Injunction are essential to the Plan and the Debtors' reorganization efforts.

(xviii) Assignment Authorized. The Bankruptcy Code authorizes the Assignment by preempting any terms of the Talc Insurance Policies, Talc Insurance Settlement Agreements, Talc Insurance Buyback Agreements, or provisions of applicable non-bankruptcy law that any Talc Insurance Company may otherwise argue prohibits the Assignment.

(xix) The Supplemental Settlement Injunction Order. The Supplemental Settlement Injunction Order is to be implemented in connection with the Imerys Settlement.

9.2 Conditions Precedent to the Effective Date of the Plan. Notwithstanding any other provision of the Plan or the Confirmation Order, the Effective Date of the Plan shall occur on the first Business Day on which each of the following conditions has been satisfied or waived pursuant to Section 9.3:

9.2.1 Confirmation Order. The Confirmation Order shall have been submitted to the District Court for affirmation on or before November 16, 2020, and the Affirmation Order in form and substance acceptable to each of the Plan Proponents shall have been entered by the District Court, and the Confirmation Order shall have become a Final Order; *provided, however*, that the Effective Date may occur at a point in time when the Confirmation Order is not a Final Order at the sole option of the Plan Proponents unless the effectiveness of the Confirmation Order has been stayed or vacated, in which case the Effective Date may be the first Business Day immediately following the expiration or other termination of any stay of effectiveness of the Confirmation Order.

9.2.2 Sale Order. The Sale Order shall have (i) been entered on or before the date the Confirmation Order is entered, and (ii) recognized by the Canadian Court in the Canadian Proceeding on or before a date that is no later than fourteen (14) Business Days after entry of the Sale Order by the Bankruptcy Court.

9.2.3 Talc Personal Injury Trust. The Talc Personal Injury Trust Assets shall, simultaneously with the occurrence of the Effective Date, be transferred to, vested in, and assumed by the Talc Personal Injury Trust in accordance with Article IV of the Plan.

9.2.4 Plan Documents. The Talc Personal Injury Trust Agreement (and related documents), and the other applicable Plan Documents necessary or appropriate to implement the Plan shall have been executed, delivered and, where applicable, filed with the appropriate governmental authorities.

9.2.5 Allowed Non-Talc Claims. The Reserves shall be adequately funded as determined by each of the Plan Proponents so as to permit the Debtors to make Distributions relating to Allowed Non-Talc Claims in accordance with the Plan.

9.2.6 Imerys Contribution. Imerys S.A. shall have disbursed, or satisfied all conditions of, the Imerys Contribution to the Debtors, the Reorganized North American Debtors, or the Talc Personal Injury Trust, as applicable, in accordance with Article X hereof.

9.2.7 United States Trustee's Fees. The fees of the United States Trustee then owing by the Debtors shall have been paid in full.

9.2.8 Ancillary Proceeding in Canada. The Canadian Court shall have entered an order in the Canadian Proceeding recognizing the Confirmation Order in its entirety and ordering the Confirmation Order and the Plan to be implemented and effective in Canada in accordance with their terms.

9.3 Waiver of Conditions Precedent. To the greatest extent permitted by law, each of the conditions precedent in this Article IX may be waived or modified, in whole or in part, but only with the unanimous written consent of each of the Plan Proponents. Any waiver or modification of a condition precedent under this Section 9.3 may be effected at any time, without notice, without leave or order of the Bankruptcy Court or District Court, and without any other formal action.

9.4 Notice of Effective Date. The Debtors shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date within five (5) Business Days thereafter, which notice shall confirm that the foregoing conditions have been satisfied or waived.

ARTICLE X MEANS FOR IMPLEMENTATION OF THE PLAN

10.1 General. On or after the Confirmation Date, each of the Plan Proponents shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary to enable them to implement the provisions of the Plan on the Effective Date, including, without limitation, the creation of the Talc Personal Injury Trust and the preparations for the transfer of the Talc Personal Injury Trust Assets to the Talc Personal Injury Trust.

10.2 Operations of the Debtors Between Confirmation and the Effective Date. The Debtors shall continue to operate as debtors and debtors-in-possession during the period from the Confirmation Date through and until the Effective Date.

10.3 Charter and Bylaws. From and after the Effective Date, each of the Reorganized North American Debtors shall be governed pursuant to their respective Amended Charter Documents. The Amended Bylaws and the Amended Certificates of Incorporation shall contain such provisions as are necessary to satisfy the provisions of the Plan and, to the extent necessary to prohibit the issuance of non-voting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the Amended Charter Documents after the Effective Date, as permitted by applicable law. Notwithstanding the foregoing, from and after the Effective Date, Reorganized ITI shall continue to be governed pursuant to its existing bylaws and certificate of incorporation.

10.4 Corporate Action. On the Effective Date, the matters under the Plan involving or requiring corporate action of the Debtors, including, but not limited to, actions requiring a vote of the boards of directors or shareholders and execution of all documentation incident to the Plan, shall be deemed to have been authorized by the Confirmation Order and to have occurred and be in effect from and after the Effective Date without any further action by the Bankruptcy Court or the officers or directors of the Debtors.

10.5 Surrender of Existing Equity Interests. The Plan provides that holders of Equity Interests in Class 6 shall be deemed to have surrendered such Equity Interests and other documentation underlying such Equity Interests and all such surrendered Equity Interests and other documentation shall be deemed to be canceled in accordance with Article III of the Plan.

10.6 Post-Effective Date Governance, Continued Existence of the Reorganized North American Debtors, and the Reorganized North American Debtor Stock.

10.6.1 On the Effective Date, after the Reserves have been funded and all Talc Personal Injury Trust Assets have been transferred to the Talc Personal Injury Trust (as applicable): (a) all North American Debtor Stock will be canceled, and (b) simultaneously with the cancellation of such shares, the North American Debtors will issue the Reorganized North American Debtor Stock to the Talc Personal Injury Trust.

10.6.2 Except as otherwise provided herein or as may be provided in the Plan Supplement or the Confirmation Order, each of the Reorganized North American Debtors shall continue their existence as separate entities after the Effective Date, with all the powers thereof, pursuant to the applicable law in the jurisdiction in which each Reorganized North American Debtor is incorporated and pursuant to the Amended Charter Documents and any other formation documents in effect following the Effective Date, and such documents are deemed to be adopted pursuant to the Plan and require no further action or approval.

10.6.3 On the Effective Date, the officers and directors of the Reorganized North American Debtors shall consist of the individuals that will be identified in the Plan Supplement.

10.6.4 Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, all property in the Reorganized North American Debtors' Estates other than property constituting Talc Personal Injury Trust Assets, including but not limited to, all North American Debtor Causes of Action and any property acquired by the North American Debtors pursuant to the Plan, shall vest in the Reorganized North American Debtors, free and clear of all Claims, interests, Liens, other Encumbrances, and liabilities of any kind. On and after the Effective Date, except as otherwise provided in the Plan, the Reorganized North American Debtors may operate their businesses and may use, acquire, or dispose of property and compromise or settle any Claims, interests, or North American Debtor Causes of Action without supervision or approval by the Bankruptcy Court, or notice to any other Entity, and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

10.6.5 On the Effective Date, and if applicable, pursuant to sections 1141(b) and 1141(c) of the Bankruptcy Code, all assets of the North American Debtors that constitute Talc Personal Injury Trust Assets shall vest in the Talc Personal Injury Trust pursuant to the terms of the Plan. The Talc Personal Injury Trust shall own such assets, as of the Effective Date, free and clear of all Claims, interests, Liens, other Encumbrances, and liabilities of any kind.

10.7 Post-Effective Date Governance and Continued Existence of Reorganized ITI.

10.7.1 On the Effective Date, Reorganized ITI shall remain a direct subsidiary of Mircal Italia and all Equity Interests in ITI shall be reinstated. On the Effective Date, (i) Imerys S.A. and ITI shall also issue the Talc PI Note to the Talc Personal Injury Trust, and (ii) Mircal Italia shall execute the Talc PI Pledge Agreement.

10.7.2 Except as otherwise provided herein or as may be provided in the Plan Supplement or the Confirmation Order, Reorganized ITI shall continue to exist after the Effective Date as a separate corporate entity from each of the Reorganized North American Debtors, with all the powers thereof, pursuant to the applicable law in the jurisdiction in which Reorganized ITI is incorporated and pursuant to its existing bylaws and certificate of incorporation and any other formation documents in effect prior to the Petition Date, and such documents are deemed to be adopted pursuant to the Plan and require no further action or approval.

10.7.3 Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, all property in ITI's Estate, all ITI Causes of Action, and any property acquired by ITI pursuant to the Plan, shall vest in Reorganized ITI, free and clear of all Claims, interests, Liens, other Encumbrances, and liabilities of any kind. On and after the Effective Date, except as otherwise provided in the Plan, Reorganized ITI may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, interests, or ITI Causes of Action without supervision or approval by the Bankruptcy Court, or notice to any other Entity, and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

10.8 Imerys Settlement.

10.8.1 Compromise and Settlement of Claims.

10.8.1.1 Pursuant to section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan effect a compromise and settlement of all Imerys Released Claims against the Imerys Protected Parties, and the Plan constitutes a request for the Bankruptcy Court to authorize and approve the Imerys Settlement, to release all of the Imerys Released Claims, including, without limitation, the Estate Causes of Action, against each of the Imerys Protected Parties.

10.8.1.2 As further described in the Disclosure Statement, the provisions of the Plan (including the release and injunctive provisions contained in Article XII of the Plan) and the other documents entered into in connection with the Plan constitute a good faith compromise and settlement among the Plan Proponents of Claims and controversies among such parties. The Plan, including the explanation set forth in the Disclosure Statement, shall be deemed a motion to approve the Imerys Settlement and the good faith compromise and settlement of all

of the Claims and controversies described in the Plan pursuant to Bankruptcy Rule 9019, and entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Imerys Settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that the Plan Settlement is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Entry of the Confirmation Order shall confirm the Bankruptcy Court's approval, as of the Effective Date of the Plan, of all components of the Imerys Settlement and the Bankruptcy Court's finding that the Imerys Settlement is in the best interests of the Debtors, their respective Estates, and is fair, equitable and reasonable.

10.8.1.3 Upon (i) satisfaction of all conditions of the Imerys Contribution in accordance with the terms of the Plan, (ii) the funding of the Reserves from Cash on hand and/or the Imerys Cash Contribution, and (iii) the transfer of the Talc Personal Injury Trust Assets to the Talc Personal Injury Trust, the Plan shall be deemed to be substantially consummated, notwithstanding any contingent obligations arising from the foregoing. For the avoidance of doubt, Imerys S.A.'s satisfaction of the Imerys Contribution is on behalf of itself and the other Imerys Protected Parties.

10.8.1.4 The Plan (including its incorporation of the Imerys Settlement), the Plan Documents, and the Confirmation Order constitute a good faith compromise and settlement of Claims and controversies based upon the unique circumstances of these Chapter 11 Cases and none of the foregoing documents, the Disclosure Statement, or any other papers filed in furtherance of Plan Confirmation, nor any drafts of such documents may be offered into evidence or deemed as an admission in any context whatsoever beyond the purposes of the Plan, in any other litigation or proceeding except as necessary, and as admissible in such context to enforce their terms before the Bankruptcy Court or any other court of competent jurisdiction. The Plan, the Imerys Settlement, the Plan Documents, and the Confirmation Order will be binding as to the matters and issues described therein, but will not be binding with respect to similar matters or issues that might arise in any other litigation or proceeding in which none of the Debtors, the Reorganized Debtors, the Imerys Protected Parties, or the Talc Personal Injury Trust is a party.

10.8.2 Imerys Contribution.

10.8.2.1 Imerys Settlement Funds. On or prior to the Effective Date, Imerys will contribute, or cause to be contributed, the Imerys Settlement Funds to the Debtors or the Reorganized Debtors, as applicable, which the Debtors or the Reorganized Debtors, as applicable, will contribute to the Talc Personal Injury Trust upon the Effective Date. For the avoidance of doubt, all proceeds from the Sale(s) will be paid by the Buyer to the North American Debtors or the Reorganized North American Debtors, as applicable, upon the close of the Sale(s).

10.8.2.2 Imerys Cash Contribution. On or prior to the Effective Date, Imerys will contribute, or cause to be contributed, the following to the Debtors or the Reorganized Debtors, as applicable (the “**Imerys Cash Contribution**”):

i. the balance of the Intercompany Loan to fund administrative expenses during the pendency of the Chapter 11 Cases, as well as certain of the Reserves (with any remaining balance of the Intercompany Loan not otherwise used to fund the Reserves or pay administrative expenses to be contributed to the Talc Personal Injury Trust on or as soon as reasonably practicable after the Effective Date);

ii. \$5 million (less any amounts already paid and noted in an accounting to the Tort Claimants’ Committee and the FCR) for payment of Allowed Claims in Class 3a through inclusion in the Reorganized North American Debtor Cash Reserve or the Disputed Claims Reserve, as applicable (with any remaining balance of the \$5 million not otherwise used to fund the Reorganized North American Debtor Cash Reserve or the Disputed Claims Reserve, as applicable, to be contributed to the Talc Personal Injury Trust on or as soon as reasonably practicable after the Effective Date) (the “**Unsecured Claim Contribution**”); and

iii. up to \$15 million, to the extent the Debtors do not have available Cash after exhaustion of the Intercompany Loan to pay all Administrative Claims in full on the Effective Date and would otherwise be administratively insolvent; *provided* that Imerys S.A. shall fund the Debtors’ administrative expenses as follows: Imerys S.A. shall pay fifty percent (50%) of such expenses in Cash (in an amount not to exceed \$15 million) and fifty percent (50%) shall be funded by a dollar-for-dollar reduction of the Imerys Settlement Funds (in an amount not to exceed \$15 million) (the “**Contingent Contribution**”).

10.8.2.3 Talc Trust Contribution. On or prior to the Effective Date, Imerys has agreed to contribute, or cause to be contributed, the following to the Talc Personal Injury Trust (the “**Talc Trust Contribution**”):

i. indemnification interests (or proceeds thereof) held by a Non-Debtor Affiliate, but only to the extent such interests or proceeds relate to indemnification that may be available to pay Talc Personal Injury Claims against the Debtors or a Non-Debtor Affiliate, and rights and interests to the proceeds of the Shared Talc Insurance Policies, and all rights against third parties held by Non-Debtor Affiliates relating to Talc Personal Injury Claims, including any related indemnification rights, each of which is to be identified in the Plan Supplement (the “**Contributed Indemnity and Insurance Interests**”); and

ii. the Talc PI Pledge Agreement.

10.8.2.4 Additional Contribution. On or prior to the Effective Date, Imerys has agreed to take the following actions (the “**Additional Contribution**,” and together with the Imerys Settlement Funds, the Imerys Cash Contribution, and the Talc Trust Contribution, the “**Imerys Contribution**”):

- i. waive all Non-Debtor Intercompany Claims against the Debtors; and
- ii. unless otherwise assumed by the Buyer, assume any Pension Liabilities of the North American Debtors through and after the Effective Date of the Plan.

10.8.3 Cooperation Agreement. The Debtors, Imerys, and the Talc Personal Injury Trust shall enter into the Cooperation Agreement, which shall be included in the Plan Supplement.

10.9 Resolution of Talc Personal Injury Claims. Talc Personal Injury Claims shall be resolved by the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures, subject to the right of any Talc Insurance Company to raise any Talc Insurer Coverage Defense in response to a demand by the Talc Personal Injury Trust that such insurer handle, defend, or pay any such claim.

10.10 Sources of Consideration for Plan Distributions.

10.10.1 North American Debtor Claims. All Cash consideration necessary for payments or distributions on account of the North American Debtor Claims shall be obtained from (i) the Cash on hand of the North American Debtors on the Effective Date, including Cash derived from business operations and (ii) the Imerys Cash Contribution.

10.10.2 Talc Personal Injury Claims. All Cash consideration necessary for payments or distributions on account of Talc Personal Injury Claims shall be obtained from (i) the Cash on hand of the North American Debtors on the Effective Date, including Cash derived from business operations, other than the Cash placed in the Reserves, if any, (ii) the Imerys Settlement Funds, (iii) the amount of the Imerys Cash Contribution, after such funds have been disbursed in accordance with Section 10.8.2; (iv) all Cash remaining in the Reserves, if applicable, as set forth in Section 10.11 of the Plan; and (v) all proceeds from the Talc Personal Injury Trust Assets.

10.10.3 Reorganized ITI. All Cash consideration necessary for payments or distributions under the Plan on account of ITI Claims, for the avoidance of doubt, other than Talc Personal Injury Claims, shall be obtained from the Cash on hand at Reorganized ITI.

10.10.4 Transfer of Funds Between the North American Debtors. The North American Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable them to satisfy their obligations under the Plan; *provided* that any transfer of funds from ITC to another North American Debtor shall be subject to review by the Information Officer. Except as set forth therein, any

changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate or otherwise be affected by the terms of the Plan.

10.10.5 Funding by the Talc Personal Injury Trust. The Talc Personal Injury Trust shall have no obligation to fund costs and expenses other than those set forth in the Plan and/or the Talc Personal Injury Trust Documents, as applicable.

10.11 Transfer of Remaining North American Debtors' Assets to the Talc Personal Injury Trust.

10.11.1 After (i) all Disputed Claims against the North American Debtors have been resolved, and (ii) all Distributions required to be made by the Reorganized North American Debtors under the Plan have been made, all Cash remaining in the Disputed Claims Reserve shall be disbursed to the Talc Personal Injury Trust, in accordance with Section 7.10 of the Plan.

10.11.2 Upon the close of the Chapter 11 Cases, all Cash remaining in the Reorganized North American Debtor Cash Reserve shall be disbursed to the Talc Personal Injury Trust.

10.11.3 Any remaining balance in the Fee Claim Reserve and the Administrative Claim Reserve shall be disbursed to the Talc Personal Injury Trust subject to and in accordance with Sections 2.1 and 2.3 of the Plan, *provided that* any Cash remaining in the Fee Claim Reserve and the Administrative Claim Reserve that is attributable to the Contingent Contribution shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A.

10.12 Modification of the Plan. Any proposed amendments to or modifications of the Plan under section 1127 of the Bankruptcy Code or as otherwise permitted by law will be submitted jointly by the Plan Proponents, without additional disclosure pursuant to section 1125 of the Bankruptcy Code at any time prior to substantial consummation of the Plan. Following substantial consummation of the Plan, the Reorganized Debtors may remedy any defects or omissions or reconcile any inconsistencies in the Plan Documents for the purpose of implementing the Plan in such manner as may be necessary to carry out the purposes and intent of the Plan, so long as (a) the interests of the holders of Allowed Claims are not adversely affected thereby; (b) any such modifications are non-material; (c) the Tort Claimants' Committee and the FCR or, following the Effective Date, the Talc Trust Advisory Committee and the FCR consent; and (d) Imerys S.A. consents. Post-Effective Date, any holder of a Claim or Equity Interest that has accepted the Plan shall be deemed to have accepted this Plan as amended, modified or supplemented pursuant to this Section 10.12.

10.13 Revocation or Withdrawal of the Plan. The Debtors, with the consent of each of the other Plan Proponents, reserve the right to revoke and withdraw the Plan prior to entry of the Confirmation Order. If the Debtors, with the consent of each of the other Plan Proponents, revoke or withdraw the Plan, or if Confirmation of the Plan as to any Debtor does not occur, then, with respect to such Debtor, the Plan shall be deemed null and void and nothing contained herein shall

be deemed to constitute a waiver or release of any Claims by or against such Debtor, or any other Entity (including the Plan Proponents), or to prejudice in any manner the rights of such Debtor, or such Entity (including the Plan Proponents) in any further proceedings involving such Debtor.

10.14 Certain Technical Modifications. Prior to the Effective Date, the Plan Proponents collectively may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court; provided, however, that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims or Equity Interests under the Plan.

ARTICLE XI EFFECT OF CONFIRMATION

11.1 Preservation of Certain Estate Causes of Action.

11.1.1 In accordance with section 1123(b) of the Bankruptcy Code, and except where such Estate Causes of Action have been expressly released, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Non-Talc Causes of Action, whether arising before or after the Petition Date. Each Reorganized Debtor's right to commence, prosecute or settle such Non-Talc Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors may pursue the Non-Talc Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors.

11.1.2 No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Non-Talc Cause of Action against them as any indication that the Reorganized Debtors will not pursue the Non-Talc Causes of Action. The Reorganized Debtors expressly reserve all rights to prosecute any and all Non-Talc Causes of Action, except as otherwise expressly provided in the Plan. Unless any of the Non-Talc Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all such Non-Talc Causes of Action for later adjudication, and, therefore, 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 Non-Talc Causes of Action upon, after or as a consequence of the Confirmation of the Plan.

11.1.3 Upon the Effective Date, the Reorganized Debtors shall retain and enforce all defenses and counterclaims to all Claims that were or could have been asserted against the Debtors, respectively, or their respective Estates, including, but not limited to, setoff, recoupment and any rights under section 502(d) of the Bankruptcy Code. On or after the Effective Date, the Reorganized Debtors may pursue, settle or withdraw, without Bankruptcy Court approval, such claims, rights, or causes of action (other than the Talc Personal Injury Trust Causes of Action) as they determine in accordance with their best interests.

11.2 Preservation of Talc Personal Injury Trust Causes of Action. On the Effective Date, all Talc Personal Injury Trust Causes of Action shall be transferred to and vested in the Talc Personal Injury Trust. Except as otherwise provided in the Plan or the Confirmation Order, the Talc Personal Injury Trust shall retain and enforce, as the appointed estate representative in accordance with section 1123(b) of the Bankruptcy Code, all Talc Personal Injury Trust Causes of Action, including, but not limited to, setoff, recoupment, and any rights under section 502(d) of the Bankruptcy Code. The transfer of the Talc Personal Injury Trust Causes of Action to the Talc Personal Injury Trust, insofar as they relate to the ability to defend against or reduce the amount of Talc Personal Injury Claims, shall be considered the transfer of a non-exclusive right enabling the Talc Personal Injury Trust to defend itself against asserted Talc Personal Injury Claims, which transfer shall not impair, affect, alter, or modify the right of any Person, including without limitation, the Imerys Protected Parties, an insurer or alleged insurer, or co-obligor or alleged co-obligor, sued on account of a Talc Personal Injury Claim, to assert each and every defense or basis for claim reduction such Person could have asserted had the Talc Personal Injury Trust Causes of Action not been assigned to the Talc Personal Injury Trust.

11.3 Talc Insurance Actions. Any Talc Insurance Action, or the claims and causes of action asserted or to be asserted therein, shall be preserved for the benefit of the Talc Personal Injury Trust, for prosecution by the applicable Debtor(s) until the Effective Date subject to the consent of the FCR and the Tort Claimants' Committee, which shall not be unreasonably withheld. As of the Effective Date, such Talc Insurance Actions along with the rights and obligations of the Debtors and the Reorganized Debtors, as applicable, and the Non-Debtor Affiliates with respect to the Talc Insurance Policies and claims thereunder shall exclusively vest in the Talc Personal Injury Trust in accordance with section 1123(a)(5)(B) of the Bankruptcy Code, and the Talc Personal Injury Trust shall retain and enforce as the appointed estate representative in accordance with section 1123(b)(3)(B) of the Bankruptcy Code all such Talc Insurance Actions. Such Talc Insurance Actions shall be free and clear of all Liens, security interests, and other Claims or causes of action, except for Talc Insurer Coverage Defenses. Upon vesting in the Talc Personal Injury Trust, the prosecution of the Talc Insurance Actions shall be governed by the Talc Personal Injury Trust Documents.

11.4 Insurance Provisions.

11.4.1 The provisions of this Section 11.4 shall apply to all Entities (including, without limitation, all Talc Insurance Companies).

11.4.1.1 Nothing contained in the Plan, the Plan Documents, or the Confirmation Order, including any provision that purports to be preemptory or supervening, shall in any way operate to, or have the effect of, impairing, altering, supplementing, changing, expanding, decreasing, or modifying (a) the rights or obligations of any Talc Insurance Company or (b) any rights or obligations of the Debtors arising out of or under any Talc Insurance Policy. For all issues relating to insurance coverage, the provisions, terms, conditions, and limitations of the Talc Insurance Policies shall control. For the avoidance of doubt, nothing contained in the Plan, the Plan Documents, or the Confirmation Order shall operate to require any Talc Insurance Company to indemnify or pay the liability of any Protected Party that it would not have been required to pay in the absence of this Plan.

11.4.1.2 The Plan, the Plan Documents, and the Confirmation Order, shall be binding on the Debtors, the Reorganized Debtors, and the Talc Personal Injury Trust. The obligations, if any, of the Talc Personal Injury Trust to pay holders of Talc Personal Injury Claims shall be determined pursuant to the Plan and the Plan Documents. Except as provided in Section 11.4.1.4, none of (a) the Bankruptcy Court's approval of the Plan or the Plan Documents, (b) the Confirmation Order or any findings and conclusions entered with respect to Confirmation, nor (c) any estimation or valuation of Talc Personal Injury Claims, either individually or in the aggregate (including, without limitation, any agreement as to the valuation of Talc Personal Injury Claims) in the Chapter 11 Cases shall, with respect to any Talc Insurance Company, constitute a trial or hearing on the merits or an adjudication or judgment, or accelerate the obligations, if any, of any Talc Insurance Company under its Talc Insurance Policies.

11.4.1.3 No provision of the Plan, other than those provisions contained in the applicable Injunctions set forth in Article XII of the Plan, shall be interpreted to affect or limit the protections afforded to any Settling Talc Insurance Company by the Channeling Injunction or the Insurance Entity Injunction.

11.4.1.4 Nothing in this Section 11.4.1 is intended or shall be construed to preclude otherwise applicable principles of *res judicata* or collateral estoppel from being applied against any Talc Insurance Company with respect to any issue that is actually litigated by such Talc Insurance Company as part of its objections, if any, to Confirmation of the Plan or as part of any contested matter or adversary proceeding filed by such Talc Insurance Company in conjunction with or related to Confirmation of the Plan. Plan objections that are withdrawn prior to the conclusion of the Confirmation Hearing shall be deemed not to have been actually litigated.

11.5 Institution and Maintenance of Legal and Other Proceedings. As of the Effective Date, the Talc Personal Injury Trust shall be empowered to initiate, prosecute, defend, settle, maintain, administer, preserve, pursue, and resolve all legal actions and other proceedings related to any asset, liability or responsibility of the Talc Personal Injury Trust, including without limitation the Talc Insurance Actions, Talc Personal Injury Claims, Indirect Talc Personal Injury Claims, and the Talc Personal Injury Trust Causes of Action. Without limiting the foregoing, on and after the Effective Date, the Talc Personal Injury Trust shall be empowered to initiate, prosecute, defend, settle, maintain, administer, preserve, pursue and resolve all such actions in the name of either of the Debtors or the Reorganized Debtors, if deemed necessary or appropriate by the Talc Personal Injury Trust. The Talc Personal Injury Trust shall be responsible for the payment of all damages, awards, judgments, settlements, expenses, costs, fees and other charges incurred subsequent to the Effective Date arising from or associated with any legal action or other proceeding which is the subject of Article IV of the Plan and shall pay or reimburse all deductibles, self-insured retentions, retrospective premium adjustments, or other charges (not constituting Indirect Talc Personal Injury Claims) which may arise from the receipt of any insurance proceeds by the Talc Personal Injury Trust. Furthermore, without limiting the foregoing, the Talc Personal Injury Trust shall be empowered to maintain, administer, preserve, or pursue the Talc-In-Place Insurance Coverage and the Talc Insurance Action Recoveries.

11.6 Terms of Injunction and Automatic Stay.

11.6.1 All of the injunctions and/or automatic stays provided for in or in connection with the Chapter 11 Cases, whether pursuant to sections 105, 362, or any other provision of the Bankruptcy Code, Bankruptcy Rules, or other applicable law in existence immediately prior to the Confirmation Date, shall remain in full force and effect until the injunctions become effective pursuant to a Final Order, and shall continue to remain in full force and effect thereafter as and to the extent provided by the Plan, the Confirmation Order, or by their own terms. In addition, on and after Confirmation, the Debtors, with the consent of each of the Plan Proponents, may collectively seek such further orders as they deem necessary or appropriate to preserve the status quo during the time between the Confirmation Date and the Effective Date.

11.6.2 Each of the Injunctions contained in the Plan or the Confirmation Order shall become effective on the Effective Date and shall continue in effect at all times thereafter unless otherwise provided by the Plan or the Confirmation Order.

11.7 The FCR and the Tort Claimants' Committee.

11.7.1 The FCR and the Tort Claimants' Committee shall continue in their official capacities until the Effective Date. The Debtors shall pay the reasonable fees and expenses incurred by the FCR and the Tort Claimants' Committee through the Effective Date, in accordance with the Compensation Procedures Order, the Fee Examiner Order, and the terms of the Plan, including Section 2.3 of the Plan.

11.7.2 After the Effective Date, the official capacities of the FCR and the Tort Claimants' Committee in the Chapter 11 Cases shall be limited to having standing and capacity to (i) prosecute their pre-Effective Date intervention in any adversary proceedings; (ii) object to any proposed modification of the Plan; (iii) object to or defend the Fee Claims of professionals employed by or on behalf of the Estate, or by or on behalf of members of the Tort Claimants' Committees; and (iv) participate in any pending appeals or appeals of the Confirmation Order. Except for the foregoing, the FCR and the members of the Tort Claimants' Committee shall be released and discharged from all further authority, duties, responsibilities, liabilities, and obligations involving the Chapter 11 Cases. Upon the closing of the Chapter 11 Cases, the Tort Claimants' Committee shall be dissolved. The fees and expenses incurred by the FCR and the Tort Claimants' Committee relating to any post-Effective Date activities authorized hereunder shall be payable from the Administrative Claim Reserve.

11.7.3 Nothing in this Section 11.7 of the Plan shall limit or otherwise affect the rights of the United States Trustee under section 502 of the Bankruptcy Code or otherwise to object to Claims or requests for allowance of Fee Claims or other Administrative Claims.

**ARTICLE XII
RELEASES, INJUNCTION AND EXCULPATION**

12.1 Discharge and Injunctions.

12.1.1 Discharge of Claims Against and Termination of Equity Interests in the Debtors. Except as otherwise provided in the Plan or the Confirmation Order, as of the Effective Date, Confirmation of the Plan shall afford each Debtor a discharge to the fullest extent permitted by Bankruptcy Code sections 524 and 1141(d)(1).

12.1.2 Discharge Injunction. *Except as specifically provided in the Plan or the Confirmation Order, from and after the Effective Date, to the maximum extent permitted under applicable law, all Persons that hold, have held, or may hold a Claim, demand or other debt or liability that is discharged, or an Equity Interest or other right of an equity security holder that is terminated pursuant to the terms of the Plan, are permanently enjoined from taking any of the following actions on account of, or on the basis of, such discharged Claims, debts or liabilities, or terminated Equity Interests or rights: (i) commencing or continuing any action or other proceeding of any kind against the Debtors, the Reorganized Debtors, the Talc Personal Injury Trust, or their respective property; (ii) enforcing, attaching, collecting, or recovering by any manner or means of any judgment, award, decree, or order against the Debtors, the Reorganized Debtors, the Talc Personal Injury Trust, or their respective property; (iii) creating, perfecting, or enforcing any Lien or Encumbrance of any kind against the Debtors, the Reorganized Debtors, the Talc Personal Injury Trust, or their respective property; and (iv) commencing or continuing any judicial or administrative proceeding, in any forum and in any place in the world, that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order (the “Discharge Injunction”). The foregoing injunction shall extend to the successors of the Debtors (including, without limitation, the Reorganized Debtors) and their respective properties and interests in property. The discharge provided in this provision shall void any judgment obtained against any Debtor at any time, to the extent that such judgment relates to a discharged Claim or demand.*

12.2 Releases.

12.2.1 Releases by Debtors and Estates.

(a) *As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, including, without limitation, the service of the Released Parties before and during the Chapter 11 Cases to facilitate the implementation of the Talc Personal Injury Trust, and except as otherwise explicitly provided in the Plan or in the Confirmation Order, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released, to the maximum extent permitted by law, as such law may be extended subsequent to the Effective Date, by the Debtors and the Estates from any and all Claims, counterclaims, disputes, obligations, suits, judgments, damages, demands, debts, rights, causes of action, Liens, remedies, losses, contributions, indemnities, costs, liabilities, attorneys’ fees and expenses*

whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors or their Estates (including any Estate Causes of Action), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, that the Debtors or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Equity Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party (including the exercise of any common law or contractual rights of setoff or recoupment by any Released Party at any time on or prior to the Effective Date), the restructuring of any Claim or Equity Interest before or during the Chapter 11 Cases, the Disclosure Statement, the Plan, and related agreements, instruments, and other documents, and the negotiation, formulation, preparation or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission; provided, however, that the Debtors do not release, and the Reorganized Debtors shall retain, the Non-Talc Causes of Action arising out of, or related to, any act or omission of a Released Party that is a criminal act or constitutes fraud, gross negligence, or willful misconduct. The Debtors, and any other newly-formed entities that shall be continuing the Debtors' businesses after the Effective Date shall be bound, to the same extent the Debtors are bound, by the releases set forth in this Section 12.2.1 of the Plan. For the avoidance of doubt, Claims or causes of action arising out of, or related to, any act or omission of a Released Party prior to the Effective Date that is later found to be a criminal act or to constitute fraud, gross negligence, or willful misconduct, including findings after the Effective Date, are not released pursuant to this Section 12.2.1 of the Plan.

(b) In furtherance of the Imerys Settlement, on the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors and the Reorganized Debtors, on their own behalf and as representatives of their respective Estates, and the Tort Claimants' Committee and FCR, solely on their own behalf, irrevocably and unconditionally, are deemed to irrevocably and unconditionally, fully, finally, and forever waive, release, acquit, and discharge each and all of the Imerys Protected Parties of and from (a) all Estate Causes of Action and (b) any and all claims, causes of action, suits, costs, debts, liabilities, obligations, dues, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, damages, judgments, executions and demands whatsoever, of whatever kind or nature (including, without limitation, those arising under the Bankruptcy Code), whether known or unknown, suspected or unsuspected, in law or in equity, which the Debtors, the Estates, the Tort Claimants' Committee, or the FCR have, had, may have, or may claim to have against any of the Imerys Protected Parties including without

limitation with respect to any Talc Personal Injury Claim (clauses (a) and (b) collectively, the “Imerys Released Claims”).

12.2.2 **Releases by Holders of Claims.** *As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, including, without limitation, the service of the Released Parties before and during the Chapter 11 Cases to facilitate the implementation of the Talc Personal Injury Trust, and except as otherwise explicitly provided in the Plan or in the Confirmation Order, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released, to the maximum extent permitted by law, as such law may be extended subsequent to the Effective Date, except as otherwise explicitly provided herein, by the Releasing Claim Holders from any and all Claims, counterclaims, disputes, obligations, suits, judgments, damages, demands, debts, rights, causes of action, Liens, remedies, losses, contributions, indemnities, costs, liabilities, attorneys’ fees and expenses whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors or their Estates (including any Estate Causes of Action), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, that such holders or their estates, Affiliates, heirs, executors, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons or parties claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Equity Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors (as such entities existed prior to or after the Petition Date), their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements or interactions between any Debtor and any Released Party (including the exercise of any common law or contractual rights of setoff or recoupment by any Released Party at any time on or prior to the Effective Date), the restructuring of any Claim or Equity Interest before or during the Chapter 11 Cases, the Disclosure Statement, the Plan, and related agreements, instruments, and other documents, and the negotiation, formulation, preparation or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, other than Claims or causes of action arising out of, or related to, any act or omission of a Released Party that constitutes fraud, gross negligence or willful misconduct. For the avoidance of doubt, Claims or causes of action arising out of, or related to, any act or omission of a Released Party prior to the Effective Date that is later found to be a criminal act or to constitute fraud, gross negligence, or willful misconduct, including findings after the Effective Date, are not released pursuant to this Section 12.2.2 of the Plan.*

12.2.3 **Injunction Related to Releases.** *Except as otherwise provided in the Plan, the Confirmation Order shall permanently enjoin the commencement or*

prosecution by any Entity, whether directly, derivatively or otherwise, of any claims, commitments, obligations, suits, judgments, damages, demands, debts, causes of action and liabilities released pursuant to the Plan (the “Release Injunction”).

12.3 **The Channeling Injunction and the Insurance Entity Injunction.** *In order to supplement the injunctive effect of the Discharge Injunction, and pursuant to sections 524(g) and 105(a) of the Bankruptcy Code, the Confirmation Order shall provide for the following permanent injunctions to take effect as of the Effective Date.*

12.3.1 **Channeling Injunction.**

(a) *Terms. To preserve and promote the settlements contemplated by and provided for in the Plan including the Imerys Settlement, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court and the District Court under sections 105(a) and 524(g) of the Bankruptcy Code, the sole recourse of any holder of a Talc Personal Injury Claim against a Protected Party (on account of such Talc Personal Injury Claim) shall be the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Documents, and such holder shall have no right whatsoever at any time to assert its Talc Personal Injury Claim against any Protected Party or any property or interest in property of any Protected Party. On and after the Effective Date, all holders of Talc Personal Injury Claims shall be permanently and forever stayed, restrained, barred, and enjoined from taking any action for the purpose of, directly or indirectly or derivatively collecting, recovering, or receiving payment of, on, or with respect to any Talc Personal Injury Claim against a Protected Party other than from the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Documents, including, but not limited to:*

(i) *commencing, conducting, or continuing in any manner, directly, indirectly, or derivatively, any suit, action, or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum in any jurisdiction around the world against or affecting any Protected Party or any property or interests in property of any Protected Party;*

(ii) *enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering, by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against any Protected Party or any property or interests in property of any Protected Party;*

(iii) *creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien of any kind against any Protected Party or any property or interests in property of any Protected Party;*

(iv) *asserting, implementing, or effectuating any setoff, right of reimbursement, subrogation, contribution, or recoupment of any kind, in any manner, directly or indirectly, against any obligation due to any*

Protected Party or against any property or interests in property of any Protected Party; and

(v) *taking any act in any manner, and in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan, the Plan Documents, or the Talc Personal Injury Trust Documents or with regard to any matter that is within the scope of the matters designated by the Plan to be subject to resolution by the Talc Personal Injury Trust, except in conformity and compliance with the Talc Personal Injury Trust Documents.*

(b) *Reservations. Notwithstanding anything to the contrary in Section 12.3.1(a) of the Plan, this Channeling Injunction shall not impair:*

(i) *the rights of holders of Talc Personal Injury Claims to assert such Talc Personal Injury Claims solely against the Talc Personal Injury Trust or otherwise in accordance with the Trust Distribution Procedures;*

(ii) *the rights of holders of Talc Personal Injury Claims to assert such claims against anyone other than a Protected Party;*

(iii) *the rights of Persons to assert any Claim, debt, obligation or liability for payment of Talc Personal Injury Trust Expenses solely against the Talc Personal Injury Trust or otherwise in accordance with the Trust Distribution Procedures; or*

(iv) *the Talc Personal Injury Trust from enforcing its rights explicitly provided to it under the Plan and the Talc Personal Injury Trust Documents.*

(c) *Modifications. There shall be no modification, dissolution, or termination of the Channeling Injunction, which shall be a permanent injunction.*

(d) *Non-Limitation Channeling Injunction. Nothing in the Plan or the Talc Personal Injury Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness of the Channeling Injunction issued in connection with the Plan, the releases provided in the Imerys Settlement, or the Talc Personal Injury Trust's assumption of all liability with respect to Talc Personal Injury Claims.*

(e) *Bankruptcy Rule 3016 Compliance. The Plan Proponents' compliance with the formal requirements of Bankruptcy Rule 3016(c) shall not constitute an admission that the Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code.*

(f) *Any Protected Party may enforce the Channeling Injunction as a defense to any Claim brought against such Protected Party that is enjoined under the*

Plan as to such Protected Party and may seek to enforce such injunction in a court of competent jurisdiction.

(g) *If a non-Settling Talc Insurance Company asserts that it has rights of contribution, indemnity, reimbursement, subrogation or other similar claims (collectively, “Contribution Claims”) against a Settling Talc Insurance Company, (i) such Contribution Claims may be asserted as a defense or counterclaim against the Talc Personal Injury Trust in any Talc Insurance Action involving such non-Settling Talc Insurance Company, and the Talc Personal Injury Trust may assert the legal or equitable rights (if any) of the Settling Talc Insurance Company, and (ii) to the extent such Contribution Claims are determined to be valid, the liability (if any) of such non-Settling Talc Insurance Company to the Talc Personal Injury Trust shall be reduced by the amount of such Contribution Claims.*

12.3.2 **Insurance Entity Injunction.**

(a) *Purpose. In order to protect the Talc Personal Injury Trust and to preserve the Talc Personal Injury Trust Assets, pursuant to the equitable jurisdiction and power of the Bankruptcy Court, the Bankruptcy Court shall issue the Insurance Entity Injunction; provided, however, that the Insurance Entity Injunction is not issued for the benefit of any Talc Insurance Company, and no Talc Insurance Company is a third-party beneficiary of the Insurance Entity Injunction, except as otherwise specifically provided in any Talc Insurance Settlement Agreement or Talc Insurance Buyback Agreement.*

(b) *Terms Regarding Claims Against Talc Insurance Companies. Subject to the provisions of Sections 12.3.1 and 12.3.2 of the Plan, all Entities that have held or asserted, that hold or assert, or that may in the future hold or assert any claim, demand or cause of action (including any Talc Personal Injury Claim or any claim or demand for or respecting any Talc Personal Injury Trust Expense) against any Talc Insurance Company based upon, attributable to, arising out of, or in any way connected with any such Talc Personal Injury Claim, whenever and wherever arising or asserted, whether in the United States of America or anywhere else in the world, whether sounding in tort, contract, warranty, or any other theory of law, equity, or admiralty, shall be stayed, restrained, and enjoined from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payments, satisfaction, or recovery with respect to any such claim, demand, or cause of action including, without limitation:*

(i) *commencing, conducting, or continuing, in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum with respect to any such claim, demand, or cause of action against any Talc Insurance Company, or against the property of any Talc Insurance Company, with respect to any such claim, demand, or cause of action;*

(ii) *enforcing, levying, attaching, collecting, or otherwise recovering, by any means or in any manner, whether directly or indirectly, any judgment, award, decree, or other order against any Talc Insurance Company, or against the property of any Talc Insurance Company, with respect to any such claim, demand, or cause of action;*

(iii) *creating, perfecting, or enforcing in any manner, directly or indirectly, any Encumbrance against any Talc Insurance Company, or the property of any Talc Insurance Company, with respect to any such claim, demand, or cause of action; and*

(iv) *except as otherwise specifically provided in the Plan, asserting or accomplishing any setoff, right of subrogation, indemnity, contribution, or recoupment of any kind, directly or indirectly, against any obligation of any Talc Insurance Company, or against the property of any Talc Insurance Company, with respect to any such claim, demand or cause of action;*

provided, however, that (a) the injunction set forth in this Section 12.3.2(b) shall not impair in any way any (i) actions brought by the Talc Personal Injury Trust against any Talc Insurance Company and (ii) the rights of any co-insured of the Debtors (x) with respect to any Talc Insurance Policy or Talc Insurance Settlement Agreement or against any Talc Insurance Company and (y) as specified under any Final Order of the Bankruptcy Court approving a Talc Insurance Settlement Agreement; and (b) the Talc Personal Injury Trust shall have the sole and exclusive authority at any time to terminate, or reduce or limit the scope of, the injunction set forth in this Section 12.3.2(b) with respect to any Talc Insurance Company upon express written notice to such Talc Insurance Company, except that the Talc Personal Injury Trust shall not have any authority to terminate, reduce or limit the scope of the injunction herein with respect to any Settling Talc Insurance Company so long as, but only to the extent that, such Settling Talc Insurance Company complies fully with its obligations under any applicable Talc Insurance Buyback Agreement.

(c) *Reservations. Notwithstanding anything to the contrary above, this Insurance Entity Injunction shall not enjoin:*

(i) *the rights of Entities to the treatment accorded them under the Plan, as applicable, including the rights of holders of Talc Personal Injury Claims to assert such Claims, as applicable, in accordance with the Trust Distribution Procedures;*

(ii) *the rights of Entities to assert any claim, debt, obligation, cause of action or liability for payment of Talc Personal Injury Trust Expenses against the Talc Personal Injury Trust;*

(iii) *the rights of the Talc Personal Injury Trust to prosecute any action based on or arising from the Talc Insurance Policies;*

(iv) *the rights of the Talc Personal Injury Trust to assert any claim, debt, obligation, cause of action or liability for payment against a Talc Insurance Company based on or arising from the Talc Insurance Policies or Talc Insurance Settlement Agreements; and*

(v) *the rights of any Talc Insurance Company to assert any claim, debt, obligation, cause of action or liability for payment against any other Talc Insurance Company that is not a Settling Talc Insurance Company, or as otherwise specifically provided in any Talc Insurance Settlement Agreement.*

12.4 **Supplemental Settlement Injunction Order.** *In order to preserve and promote the Imerys Settlement, which is incorporated herein, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court under section 105(a) of the Bankruptcy Code, the Confirmation Order shall provide for the following permanent injunction to take effect as of the Effective Date.*

(a) **Terms.** *All Persons that have held or asserted, that hold or assert, or that may in the future hold or assert any Imerys Released Claims directly or indirectly against the Imerys Protected Parties (or any of them) shall be permanently stayed, restrained, and enjoined from pursuing now, or at any time in the future, any Imerys Released Claims.*

(b) *Any Imerys Protected Party may enforce the Supplemental Settlement Injunction Order as a defense to any Claim brought against such Imerys Protected Party that is enjoined under the Plan as to such Imerys Protected Party and may seek to enforce such injunction in a court of competent jurisdiction.*

12.5 **Reservation of Rights.** Notwithstanding any other provision of the Plan to the contrary, the satisfaction, release and discharge and the Injunctions set forth in this Article XII shall not be deemed or construed to satisfy, discharge, release or enjoin claims by the Talc Personal Injury Trust, the Reorganized Debtors, or any other Entity, as the case may be, against (a) the Talc Personal Injury Trust for payment of Talc Personal Injury Claims in accordance with the Trust Distribution Procedures, (b) the Talc Personal Injury Trust for the payment of Talc Personal Injury Trust Expenses, or (c) any Talc Insurance Company that has not performed under a Talc Insurance Policy or a Talc Insurance Settlement Agreement. Nothing in this Section 12.5 is intended or shall be construed to limit the assertion, applicability, or effect of any Talc Insurer Coverage Defense.

12.6 **Disallowed Claims and Disallowed Equity Interests.** On and after the Effective Date, the Debtors and the Reorganized Debtors shall have no liability or obligation on a Disallowed Claim or a Disallowed Equity Interest, and any order disallowing a Claim or an Equity Interest which is not a Final Order as of the Effective Date solely because of an Entity's right to move for reconsideration of such Final Order pursuant to section 502 of the Bankruptcy Code or Bankruptcy Rule 3008 shall, nevertheless, become and be deemed to be a Final Order on the Effective Date. The Confirmation Order, except as otherwise provided herein, shall constitute a Final Order: (a) in relation to each Debtor disallowing all Claims (other than Talc Personal Injury Claims) and Equity Interests to the extent such Claims and Equity Interests are not allowable under any provision of

section 502 of the Bankruptcy Code, including, but not limited to, time-barred Claims and Equity Interests, and Claims for unmatured interest, and (b) in relation to each Debtor disallowing or subordinating to all other Claims, as the case may be, any Claims for penalties, punitive damages or any other damages not constituting compensatory damages.

12.7 Exculpation. None of the Debtors, the Reorganized Debtors, the Imerys Protected Parties, the Tort Claimants' Committee, the members of the Tort Claimants' Committee in their capacities as such, the FCR, the Information Officer nor any of their respective officers, directors and employees, members, agents, attorneys, accountants, financial advisors or restructuring professionals, nor any other professional Person employed by any one of them, shall have or incur any liability to any Person or Entity for any act or omission in connection with, relating to, or arising out of the Chapter 11 Cases, the negotiation of the Plan, the Disclosure Statement, the releases and Injunctions, the pursuit of Confirmation of the Plan, the administration, consummation and implementation of the Plan or the property to be distributed under the Plan, or the management or operation of the Debtors (except for any liability that results primarily from such Person's or Entity's gross negligence, bad faith or willful misconduct); provided, however, that this exculpation shall not apply to Talc Insurer Coverage Defenses; provided further that this Section 12.7 shall also apply to any former officer or director of the Debtors that was an officer or director at any time during the Chapter 11 Cases but is no longer an officer or director. In all respects, each and all of such Persons, firms and Entities shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under, or in connection with, the Chapter 11 Cases, the Plan, and the administration of each of them.

12.8 No Successor Liability. Except as otherwise expressly provided in the Plan, the Reorganized Debtors do not, pursuant to the Plan or otherwise, assume, agree to perform, pay or indemnify any Entity or Person, or otherwise have any responsibility for any liabilities or obligations of the Debtors relating to or arising out of the operations of or assets of the Debtors, whether arising prior to, on or after the Effective Date. Neither the Plan Proponents, the Reorganized Debtors, nor the Talc Personal Injury Trust is, or shall be deemed to be, a successor to any of the Debtors by reason of any theory of law or equity (except as otherwise provided in Article IV of the Plan), and none shall have any successor or transferee liability of any kind or character; *provided, however,* the Reorganized Debtors and the Talc Personal Injury Trust shall assume and remain liable for their respective obligations specified in the Plan and the Confirmation Order.

12.9 Corporate Indemnities.

12.9.1 Prepetition Indemnification and Reimbursement Obligations. The respective obligations of the Debtors to indemnify and reimburse Persons who are or were directors, officers or employees of the Debtors on the Petition Date or at any time thereafter through the Effective Date, against and for any obligations pursuant to the articles of incorporation, codes of regulation, bylaws, applicable state or non-bankruptcy law, or specific agreement or any combination of the foregoing, (i) shall survive Confirmation of the Plan and remain unaffected thereby, (ii) are assumed by Imerys, and (iii) shall not be discharged under section 1141 of the Bankruptcy Code, irrespective of whether indemnification or reimbursement is owed in connection with any event occurring before,

on or after the Petition Date. In furtherance of, and to implement the foregoing, as of the Effective Date Imerys shall obtain and maintain in full force insurance for the benefit of each and all of the above-indemnified directors, officers and employees, at levels no less favorable than those existing as of the date of entry of the Confirmation Order, and for a period of no less than three (3) years following the Effective Date.

12.9.2 Plan Indemnity. In addition to the matters set forth above and not by way of limitation thereof, Imerys shall indemnify and hold harmless all Persons who are or were officers or directors of the Debtors on the Petition Date or at any time thereafter through the Effective Date on account of and with respect to any claim, cause of action, liability, judgment, settlement, cost or expense (including attorney's fees) on account of claims or causes of action threatened or asserted by any third party against such officers or directors that seek contribution, indemnity, equitable indemnity, or any similar claim, based upon or as the result of the assertion of primary claims against such third party by any representative of the Debtors' Estates.

12.9.3 Limitation on Indemnification. Notwithstanding anything to the contrary set forth in the Plan or elsewhere, the Debtors, the Reorganized Debtors, and Imerys, as applicable, shall not be obligated to indemnify and hold harmless any Entity for any claim, cause of action, liability, judgment, settlement, cost or expense that results primarily from (i) such Entity's bad faith, gross negligence or willful misconduct or (ii) a Talc Personal Injury Claim.

ARTICLE XIII JURISDICTION OF BANKRUPTCY COURT

13.1 Jurisdiction. Until the Chapter 11 Cases are closed, the Bankruptcy Court shall retain the fullest and most extensive jurisdiction that is permissible, including the jurisdiction necessary to ensure that the purposes and intent of the Plan are carried out. Except as otherwise provided in the Plan or the Talc Personal Injury Trust Agreement, the Bankruptcy Court shall retain jurisdiction to hear and determine all Claims against and Equity Interests in the Debtors, and to adjudicate and enforce the Talc Insurance Actions, the Talc Personal Injury Trust Causes of Action, and all other causes of action which may exist on behalf of the Debtors. Nothing contained herein shall prevent the Reorganized Debtors or the Talc Personal Injury Trust, as applicable, from taking such action as may be necessary in the enforcement of any Estate Cause of Action, Talc Insurance Action, Talc Personal Injury Trust Cause of Action, or other cause of action which the Debtors have or may have and which may not have been enforced or prosecuted by the Debtors, which actions or other causes of action shall survive Confirmation of the Plan and shall not be affected thereby except as specifically provided herein. Nothing contained herein concerning the retention of jurisdiction by the Bankruptcy Court shall be deemed to be a finding or conclusion that (i) the Bankruptcy Court in fact has jurisdiction with respect to any Talc Insurance Action, (ii) any such jurisdiction is exclusive with respect to any Talc Insurance Action, or (iii) abstention or dismissal of any Talc Insurance Action pending in the Bankruptcy Court or the District Court as an adversary proceeding is or is not advisable or warranted, so that another court can hear and determine such Talc Insurance Action(s). Any court other than the Bankruptcy Court that has jurisdiction over a Talc Insurance Action shall have the right to exercise such jurisdiction.

13.2 General Retention. Following Confirmation of the Plan, the administration of the Chapter 11 Cases will continue until the Chapter 11 Cases are closed by a Final Order of the Bankruptcy Court. The Bankruptcy Court shall also retain jurisdiction for the purpose of classification of any Claims and the re-examination of Claims which have been Allowed for purposes of voting, and the determination of such objections as may be filed with the Bankruptcy Court with respect to any Claims. The failure by the Plan Proponents to object to, or examine, any Claim for the purposes of voting, shall not be deemed a waiver of the rights of the Debtors, the Reorganized Debtors, or the Talc Personal Injury Trust, as the case may be, to object to or re-examine such Claim in whole or part.

13.3 Specific Purposes. In addition to the foregoing, the Bankruptcy Court shall retain jurisdiction for each of the following specific purposes after Confirmation of the Plan:

(a) to modify the Plan after Confirmation, pursuant to the provisions of the Bankruptcy Code and the Bankruptcy Rules;

(b) to correct any defect, cure any omission, reconcile any inconsistency or make any other necessary changes or modifications in or to the Plan, the Talc Personal Injury Trust Agreement, or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan;

(c) to assure the performance by the Talc Personal Injury Trust and the Disbursing Agent of their respective obligations to make Distributions under the Plan;

(d) to enforce and interpret the terms and conditions of the Plan, the Plan Documents and the Talc Personal Injury Trust Agreement; to enter such orders or judgments, including, but not limited to, injunctions (i) as are necessary to enforce the title, rights and powers of the Reorganized Debtors and the Talc Personal Injury Trust, and (ii) as are necessary to enable holders of Claims to pursue their rights against any Entity that may be liable therefor pursuant to applicable law or otherwise;

(e) to hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes, tax benefits and similar or related matters, including without limitation contested matters arising on account of transactions contemplated by the Plan, or relating to the period of administration of the Chapter 11 Cases;

(f) to hear and determine all applications for compensation of Professionals and reimbursement of expenses under sections 330, 331, or 503(b) of the Bankruptcy Code;

(g) to hear and determine any causes of action arising during the period from the Petition Date through the Effective Date, or in any way related to the Plan or the transactions contemplated hereby, against the Debtors, the Reorganized Debtors, the other Plan Proponents, or the Talc Personal Injury Trust, and their respective current and former officers, directors, stockholders, employees, members, attorneys, accountants, financial advisors, representatives and agents;

(h) to determine any and all motions for the rejection, assumption or assignment of Executory Contracts or Unexpired Leases and the allowance of any Claims resulting therefrom;

(i) to determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(j) to determine the allowance and/or disallowance of any Claims, including Administrative Claims, against or Equity Interests in the Debtors or their Estates, including, without limitation, any objections to any such Claims and/or Equity Interests, and the compromise and settlement of any Claim, including Administrative Claims, against or Equity Interest in the Debtors or their Estates;

(k) to hear and resolve disputes concerning any reserves under the Plan or the administration thereof;

(l) to determine all questions and disputes regarding title to the assets of the Debtors or their Estates, or the Talc Personal Injury Trust;

(m) to determine all questions and disputes regarding, and to enforce, the Imerys Settlement;

(n) to hear and determine the Talc Insurance Actions, any Talc Personal Injury Trust Cause of Action and any similar claims, causes of action or rights of the Talc Personal Injury Trust to construe and take any action to enforce any Talc Insurance Policy or Talc Insurance Settlement Agreement, and to issue such orders as may be necessary for the execution, consummation and implementation of any Talc Insurance Policy or Talc Insurance Settlement Agreement, and to determine all questions and issues arising thereunder;

(o) to hear and determine any other matters related hereto, including the implementation and enforcement of all orders entered by the Bankruptcy Court in the Chapter 11 Cases;

(p) to resolve any disputes concerning whether a Person had sufficient notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection with the Chapter 11 Cases, any bar date established in the Chapter 11 Cases, or any deadline for responding or objecting to a Cure Amount, in each case, for the purpose of determining whether a Claim or Equity Interest is discharged hereunder or for any other purpose;

(q) to enter in aid of implementation of the Plan such orders as are necessary, including but not limited to the implementation and enforcement of the Releases and the Injunctions described herein; and

(r) to enter and implement such orders as may be necessary or appropriate if any aspect of the Plan, the Talc Personal Injury Trust, or the Confirmation Order is, for any reason or in any respect, determined by a court to be inconsistent with,

violative of, or insufficient to satisfy any of the terms, conditions, or other duties associated with any Talc Insurance Policies, *provided however*, (i) such orders shall not impair the Talc Insurer Coverage Defenses or the rights, claims, or defenses, if any, of any Talc Insurance Company that are set forth or provided for in the Plan, the Plan Documents, the Confirmation Order, or any other Final Orders entered in the Debtors' Chapter 11 Cases, (ii) this provision does not, in and of itself, grant this Court jurisdiction to hear and decide disputes arising out of or relating to the Talc Insurance Policies, and (iii) all interested parties, including any Talc Insurance Company, reserve the right to oppose or object to any such motion or order seeking such relief.

Notwithstanding anything herein to the contrary, however, such retention of jurisdiction by the Bankruptcy Court in this Section 13.3 shall not be deemed to be a retention of exclusive jurisdiction with respect to any matter described in this Section 13.3; rather, any court other than the Bankruptcy Court which has jurisdiction over any matter described in this Section 13.3 shall have the right to exercise such jurisdiction. To the extent that the Bankruptcy Court is not permitted under applicable law to preside over any of the forgoing matters, the reference to the "Bankruptcy Court" in this Article shall be deemed to be replaced by the "District Court." Nothing contained in this Section shall expand the exclusive jurisdiction of the Bankruptcy Court beyond that provided by applicable law.

13.4 District Court Jurisdiction. The District Court shall, without regard to the amount in controversy, retain exclusive jurisdiction after entry of the Affirmation Order to hear and determine any motion to extend the Channeling Injunction to a Talc Insurance Company, and shall be deemed to have withdrawn the reference to the Bankruptcy Court for such purpose.

13.5 Reservation of Rights. Nothing contained in the Plan will (i) constitute a waiver of any claim, right or cause of action that a Debtor, the Reorganized Debtors, or the Talc Personal Injury Trust, as the case may be, may hold against the insurer under any policy of insurance or insurance agreement, except to the extent the insurer is a Settling Insurance Company; or (ii) limit the assertion, applicability or effect of any Talc Insurer Coverage Defense.

13.6 Compromises of Controversies. From and after the Effective Date, the Reorganized Debtors and/or the Talc Personal Injury Trust, as appropriate based on assets and liabilities retained or owed by each respectively, shall be authorized to compromise controversies on such terms as they may determine, in their sole discretion, to be appropriate, without notice to any other party or approval of or notice to the Bankruptcy Court.

ARTICLE XIV MISCELLANEOUS PROVISIONS

14.1 Closing of Chapter 11 Cases. The Reorganized Debtors shall, promptly after the full administration of each Chapter 11 Case, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close such Chapter 11 Case.

14.2 Timing of Distributions or Actions. If any payment or act under the Plan 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.

14.3 Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), or an instrument, agreement or other document executed under the Plan provides otherwise, the rights, duties and obligations arising under the Plan, and the instruments, agreements and other documents executed in connection with the Plan, shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware without giving effect to the principles of conflicts of law thereof.

14.4 Entire Agreement. The Plan Documents set forth the entire agreement and undertakings relating to the subject matter thereof and supersede all prior discussions, negotiations, understandings and documents. No Entity shall be bound by any terms, conditions, definitions, warranties, understandings, or representations with respect to the subject matter hereof, other than as expressly provided for in the Plan or the other Plan Documents or as may hereafter be agreed to by the affected parties in writing.

14.5 Headings. Headings are utilized in the Plan for convenience and reference only and shall not constitute a part of the Plan for any other purpose.

14.6 Severability. If, prior to entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors (with the consent of Imerys S.A., the Tort Claimants' Committee, and the FCR, which consent shall not be unreasonably withheld), shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation by the Bankruptcy Court, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with this Section, is valid and enforceable pursuant to its terms.

14.7 Notices. All notices, requests and demands required or permitted to be provided to the Debtors, the Reorganized Debtors, or the Plan Proponents under the Plan, in order to be effective, shall be in writing, and unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, to the addresses set forth below:

THE DEBTORS:

IMERYS TALC AMERICA, INC.,
Attention: Ryan Van Meter, Esq.
100 Mansell Court East, Suite 300
Roswell, Georgia 3007
Telephone: (770) 645-3739
Facsimile: (770) 645-3475

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14.8 Notice to Other Entities. After the occurrence of the Effective Date, the Reorganized Debtors have authority to send a notice to entities providing that to continue to receive documents pursuant to Bankruptcy Rule 2002, such entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002; provided, that neither of: (i) the U.S. Trustee and (ii) counsel of record to Imerys S.A., need not file such a renewed request and shall continue to receive documents without any further action being necessary. After the occurrence of the Effective Date, the Reorganized Debtors are authorized to limit the list of entities receiving documents pursuant to Bankruptcy Rule 2002 to: (i) the U.S. Trustee; (ii) counsel of record to Imerys S.A.; and (iii) those entities that have filed such renewed requests.

14.9 Plan Supplement. Any and all exhibits, lists, or schedules referred to herein but not filed with the Plan shall be contained in the Plan Supplement to be filed with the Clerk of the Bankruptcy Court prior to the Confirmation Hearing on the Plan, and such Plan Supplement is incorporated into and is part of the Plan as if set forth in full herein. The Plan Supplement will be available for inspection in the office of the Clerk of the Bankruptcy Court during normal court hours, at the website maintained by the Claims Agent (<https://case.primeclerk.com/imerystalc>), and at the Bankruptcy Court's website (ecf.deb.uscourts.gov).

14.10 Inconsistencies. To the extent the Plan is inconsistent with the Disclosure Statement or other Plan Documents, the provisions of the Plan shall be controlling. To the extent the Plan is inconsistent with the Confirmation Order on the Plan, the provisions of such Confirmation Order shall be controlling.

14.11 Withholding of Taxes. The Disbursing Agent, the Talc Personal Injury Trust or any other applicable withholding agent, as applicable, shall withhold from any assets or property distributed under the Plan any assets or property which must be withheld for foreign, federal, state and local taxes payable with respect thereto or payable by the Person entitled to such assets to the extent required by applicable law.

14.12 Transfer Taxes. Pursuant to section 1146 of the Bankruptcy Code, and to the fullest extent permitted by law, no stamp tax, transfer tax, filing fee, sales or use tax or other similar tax shall be imposed or assessed by any taxing authority on account of (i) the transfer of any assets or property pursuant to the Plan; (ii) the making or delivery of an instrument of transfer under the

Plan; or (iii) the termination or extinguishment of any Equity Interests. The appropriate state or local government officials or agents shall be directed to forego the collection of any such tax and to accept for filing or recordation of any of the foregoing instruments or other documents without the payment of any such tax.

14.13 Binding Effect. The rights, duties and obligations of any Entity named or referred to in the Plan shall be binding upon, and shall inure to the benefit of, the successors and assigns of such Entity.

14.14 Payment of Statutory Fees. All fees payable under section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on or before the Effective Date. The Reorganized Debtors shall pay all such fees that arise after the Effective Date, but before the closing of the Chapter 11 Cases, and shall comply with all applicable statutory reporting requirements.

14.15 Duty to Cooperate. Nothing in the Plan, the other Plan Documents or the Confirmation Order shall relieve (by way of injunction or otherwise) any Entity that is or claims to be entitled to indemnity under a Talc Insurance Policy from any duty to cooperate that may be required by any such insurance policy or under applicable law with respect to the defense and/or settlement of any Claim for which coverage is sought under such Talc Insurance Policy. To the extent that any entity incurs costs in satisfying such duty to cooperate with respect to Talc Personal Injury Claims, the Talc Personal Injury Trust shall reimburse such entity for all such reasonable out-of-pocket expenses.

14.16 Effective Date Actions Simultaneous. Unless the Plan or the Confirmation Order provides otherwise, actions required to be taken on the Effective Date shall take place and be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

14.17 Consent to Jurisdiction. Upon default under the Plan, the Reorganized Debtors, the Talc Personal Injury Trust, the Talc Trustee, the Tort Claimants' Committee, the FCR, and the Imerys Protected Parties, respectively, consent to the jurisdiction of the Bankruptcy Court, or any successor thereto, and agree that it shall be the preferred forum for all proceedings relating to any such default.

Dated: May 15, 2020
Wilmington, Delaware

IMERYS TALC AMERICA, INC.
(On behalf of itself and each of the Debtors)

/s/

[●]

TORT CLAIMANTS' COMMITTEE

/s/

[●]

FUTURE CLAIMANTS' REPRESENTATIVE

/s/

[●]

IMERYS S.A.

(On behalf of itself and each of the Imerys Plan
Proponents)

/s/

[●]

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EXHIBIT A

Trust Distribution Procedures

(to be filed at a later date)

EXHIBIT B

Talc Personal Injury Trust Agreement

(to be filed at a later date)

SCHEDULE I

Imerys Corporate Parties

SCHEDULE I
Imerys Corporate Parties

CURRENT AFFILIATES

- 000 CALDERYS
- AFRICA REFRACTORY CONSULTANTS (PTY) LTD
- AKROTIRIO THAHILAS DYO S.A.
- ALMATECH MINERAL INTERNATIONAL LTD
- ALMERIA, SA DE CV
- ALUMICA CANADA INC.
- AMERICARB, INC.
- AMMIN HOLDINGS, INC.
- ANGANG STOLLBERG & SAMIL CO., LTD
- ARDOISIERS D'ANGERS
- AUSTRALIAN VERMICULITE INDUSTRIES (PTY) LTD
- B & B REFRACTORY SERVICES PTY LTD
- CALDERYS ALGERIE SERVICES SPA
- CALDERYS ALGERIE SPA
- CALDERYS AUSTRALIA PTY LTD
- CALDERYS BELGIUM
- CALDERYS CHINA CO., LTD
- CALDERYS DANMARK A/S
- CALDERYS DEUTSCHLAND GMBH
- CALDERYS FINLAND OY
- CALDERYS FRANCE
- CALDERYS IBERICA REFRACTARIOS, SA
- CALDERYS INDIA REFRACTORIES LIMITED
- CALDERYS ITALIA SRL
- CALDERYS JAPAN CO., LTD
- CALDERYS KOREA CO. LTD
- CALDERYS MAGYARORSZAG K.F.T. (HUNGARY)
- CALDERYS NGJ LIMITED
- CALDERYS NORDIC AB
- CALDERYS POLSKA SP. Z.O.O.
- CALDERYS REFRACTARIOS VENEZOLANOS SA
- CALDERYS REFRAKTER
- CALDERYS SOUTH AFRICA (PTY) LTD
- CALDERYS TAIWAN CO LTD
- CALDERYS THE NETHERLANDS B.V.
- CALDERYS UK LTD
- CALDERYS UKRAINE LTD
- CALDERYS USA, INC.
- CEBO HOLLAND B.V.
- CEBO INTERNATIONAL B.V.
- CEBO MARINE B.V.

Schedule I – Imerys Corporate Parties

- CEBO UK LIMITED
- CHANGBAI CELITE DIATOMITE CO., LTD
- DONBASSKERAMIKA
- DONKAOLIN
- ECCA HOLDINGS (PTY) LTD
- ECCA MINERALS (PTY) LTD
- ECO-BOS DEVELOPMENT LIMITED
- ELMIN BAUXITES SA
- FAGERSTA ELDFASTA AB
- FIBERLEAN TECHNOLOGIE LIMITED
- FIBERLEAN TECHNOLOGIE NA INC.
- FIBERLEAN TECNOLOGIA E SOLUCOES EIRELI
- FOKIS MINING PARK
- GIMPEX-IMERYS INDIA PRIVATE LTD
- GUIYANG JIANAI SPECIAL ALUMINATES
- HARBORLITE AEGEAN ENDUSTRI MINERALLERI SANAYI A.S.
- IMERTECH
- IMERTECH USA, INC.
- IMERYS KILN FURNITURE HUNGARY KFT.
- IMERYS (SHANGHAI) INVESTMENT MANAGEMENT CO., LTD
- IMERYS ADMINISTRATIVE GERMANY GMBH
- IMERYS AL ZAYANI FUSED MINERALS CO. W.L.L.
- IMERYS ALÜMINÄT DIS TICARET
- IMERYS ALUMINATES ASIA PACIFIC PTE LTD
- IMERYS ALUMINATES GMBH
- IMERYS ALUMINATES ITALIA S.R.L.
- IMERYS ALUMINATES LIMITED
- IMERYS ALUMINATES NORDIC AB
- IMERYS ALUMINATES SA
- IMERYS ARGENTINA SRL
- IMERYS ASIA PACIFIC PTE LTD
- IMERYS BELGIUM SA
- IMERYS BENTONITE GEORGIA LTD
- IMERYS BENTONITE HUNGARY KFT
- IMERYS BENTONITE ITALY S.P.A.
- IMERYS CANADA INC.
- IMERYS CARBONATES (THAILAND), LTD
- IMERYS CARBONATES AUSTRIA GMBH
- IMERYS CARBONATES INDIA LIMITED
- IMERYS CARBONATES USA, INC.
- IMERYS CERAMICS (INDIA) PRIVATE LIMITED
- IMERYS CERAMICS (THAILAND) LTD
- IMERYS CERAMICS BRASIL MINERAIS PARA CERAMICAS LTDA
- IMERYS CERAMICS EGYPT

Schedule I – Imerys Corporate Parties

- IMERYS CERAMICS FRANCE
- IMERYS CERAMICS ITALY S.R.L.
- IMERYS CERAMICS MEXICO SA DE CV
- IMERYS CERAMICS NEW ZEALAND
- IMERYS CERAMICS PORTUGAL, SA
- IMERYS CLAYS, INC.
- IMERYS CSI SWITZERLAND SAGL
- IMERYS DIATOMITA ALICANTE, S.A.
- IMERYS DIATOMITA MEXICO, SA DE CV
- IMERYS DO BRASIL COMERCIO
- IMERYS FILTRATION FRANCE
- IMERYS FILTRATION MINERALS, INC.
- IMERYS FUSED MINERALS (YINGKOU) CO., LTD
- IMERYS FUSED MINERALS BEYREDE SAS
- IMERYS FUSED MINERALS DOMODOSSOLA S.P.A.
- IMERYS FUSED MINERALS FRANCE SARL
- IMERYS FUSED MINERALS GREENEVILLE, INC.
- IMERYS FUSED MINERALS GUIZHOU CO. LTD
- IMERYS FUSED MINERALS LAUFENBURG GMBH
- IMERYS FUSED MINERALS MURG GMBH
- IMERYS FUSED MINERALS NIAGARA FALLS, INC.
- IMERYS FUSED MINERALS RUSE D.O.O.
- IMERYS FUSED MINERALS SALTO LTDA
- IMERYS FUSED MINERALS TEUSCHENTHAL GMBH
- IMERYS FUSED MINERALS VILLACH GMBH
- IMERYS FUSED MINERALS ZSCHORNEWITZ GMBH
- IMERYS GECKO GRAPHITE (NAMIBIA) (PTY) LTD
- IMERYS GECKO HOLDING (NAMIBIA) (PTY) LTD
- IMERYS GECKO OKANJANDE MINING (PTY) LTD
- IMERYS GRAPHITE & CARBON BELGIUM SA
- IMERYS GRAPHITE & CARBON CANADA INC.
- IMERYS GRAPHITE & CARBON JAPAN KK
- IMERYS GRAPHITE & CARBON KOREA
- IMERYS GRAPHITE & CARBON SWITZERLAND SA
- IMERYS HIGH RESISTANCE MINERALS JAPAN KK
- IMERYS INDUSTRIAL MINERALS DENMARK A/S
- IMERYS INDUSTRIAL MINERALS GREECE S.A.
- IMERYS ITATEX SOLUCOES MINERAIS LTDA
- IMERYS KAOLIN, INC.
- IMERYS KILN FURNITURE (THAILAND) CO. LTD
- IMERYS KILN FURNITURE ESPAÑA, SA
- IMERYS METALCASTING FRANCE SARL
- IMERYS METALCASTING GERMANY GMBH
- IMERYS MICA KINGS MOUTAIN, INC.

Schedule I – Imerys Corporate Parties

- IMERYS MIDDLE EAST HOLDING COMPANY W.L.L.
- IMERYS MINERAL AB
- IMERYS MINERAL ARABIA LLC
- IMERYS MINERALES ARGENTINA S.A.
- IMERYS MINERALES CHILE SPA
- IMERYS MINERALES PERU SAC
- IMERYS MINERALI CORSICO SRL
- IMERYS MINERALI SPA
- IMERYS MINERALS (INDIA) PRIVATE LIMITED
- IMERYS MINERALS (TAIWAN) LTD
- IMERYS MINERALS (THAILAND) LTD
- IMERYS MINERALS AUSTRALIA PTY LTD
- IMERYS MINERALS BULGARIA AD
- IMERYS MINERALS CHINA, INC.
- IMERYS MINERALS GMBH
- IMERYS MINERALS HOLDING LIMITED
- IMERYS MINERALS INTERNATIONAL SALES
- IMERYS MINERALS JAPAN KK
- IMERYS MINERALS KOREA LTD
- IMERYS MINERALS LTD
- IMERYS MINERALS MALAYSIA SDN. BHD.
- IMERYS MINERALS NETHERLANDS B.V.
- IMERYS MINERALS OY
- IMERYS MINERALS USA, INC.
- IMERYS MINERALS VIETNAM LIMITED
- IMERYS MINERAUX BELGIQUE SA
- IMERYS MINÉRAUX FRANCE
- IMERYS NEWQUEST (INDIA) PRIVATE LIMITED
- IMERYS OILFIELD MINERALS, INC.
- IMERYS PACIFIC LTD
- IMERYS PARTICIPACOES LTDA
- IMERYS PCC FRANCE
- IMERYS PCC UK
- IMERYS PERFORMANCE AND FILTRATION MINERALS PRIVATE LIMITED
- IMERYS PERLITA BARCELONA, S.A.
- IMERYS PERLITE SARDINIA S.R.L.
- IMERYS PERLITE USA, INC.
- IMERYS PIGMENTS (QINGYANG) CO., LTD
- IMERYS PIGMENTS (WUHU) CO., LTD
- IMERYS RE
- IMERYS REFRACTORY MINERALS CLERAC
- IMERYS REFRACTORY MINERALS GLOMEL
- IMERYS REFRACTORY MINERALS INTERNATIONAL SALES
- IMERYS REFRACTORY MINERALS SOUTH AFRICA (PTY) LTD

Schedule I – Imerys Corporate Parties

- IMERYS REFRACTORY MINERALS USA, INC.
- IMERYS RIO CAPIM CAULIM SA
- IMERYS SERAMIK HAMMADDELERI SANAYI VE TICARET LIMITED SIRKETI
- IMERYS SERVICES
- IMERYS SERVICES GERMANY GMBH & CO. KG
- IMERYS SERVICES GREECE
- IMERYS SOUTH AFRICA (PTY) LTD
- IMERYS SOUTH EUROPE, S.L.
- IMERYS SPECIALITIES JAPAN CO., LTD
- IMERYS STEELCASTING DO BRASIL LTDA
- IMERYS STEELCASTING INDIA PRIVATE LIMITED
- IMERYS STEELCASTING USA, INC.
- IMERYS TABLEWARE CR S.R.O.
- IMERYS TABLEWARE DEUTSCHLAND GMBH
- IMERYS TABLEWARE FRANCE
- IMERYS TALC AUSTRALIA PTY LTD
- IMERYS TALC AUSTRIA GMBH
- IMERYS TALC BELGIUM
- IMERYS TALC EUROPE
- IMERYS TALC FINLAND OY
- IMERYS TALC GERMANY GMBH
- IMERYS TALC ITALY S.P.A. ¹
- IMERYS TALC LUZENAC FRANCE
- IMERYS TALC MEXICO, SA DE CV
- IMERYS TALC SPAIN, S.A.
- IMERYS TALC UK HOLDING LTD
- IMERYS TCSI SWITZERLAND SAGL
- IMERYS TRADING MINERALS EGYPT
- IMERYS TRUSTEES LTD
- IMERYS UK FINANCE LIMITED
- IMERYS UK LTD
- IMERYS UK PENSION FUND TRUSTEES LTD
- IMERYS USA, INC.
- IMERYS WOLLASTONITE USA, LLC
- IMERYS ZHEJIANG ZIRCONIA CO., LTD
- INDUSTRIA MACINAZIONE MINERALI PER L'INDUSTRIA CERAMICA S.P.A
- INDUSTRIAL MINERALS OF GREECE
- ISOCON S.A.
- KAOLIN AUSTRALIA PTY LTD
- KENTUCKY-TENNESSEE CLAY COMPANY

1. Imerys Talc Italy S.p.A. is only an Imerys Corporate Party to the extent it does not commence a bankruptcy case.

Schedule I – Imerys Corporate Parties

- KERNEOS (CHINA) ALUMINATE TECHNOLOGIES CO., LTD
- KERNEOS AUSTRALIA PTY LTD
- KERNEOS CORPORATE SAS
- KERNEOS DO BRASIL COMERCIAL LTDA
- KERNEOS GROUP SAS
- KERNEOS HOLDING NORTHERN EUROPE LIMITED
- KERNEOS INC.
- KERNEOS INDIA ALUMINATE PRIVATE LIMITED
- KERNEOS INDIA ALUMINATE TECHNOLOGIES PRIVATE LIMITED
- KERNEOS SOUTHERN AFRICA PTY LTD
- KINTA POWDERTEC SDN. BHD
- LATOMIA N. KORAKAS SA
- LAVIOSA CHIMICA MINERARIA SPA
- LAVIOSA PROMASA S.A.
- LINJIANG IMERYS DIATOMITE CO., LTD
- LIQUID QUIMICA MEXICANA, SA DE CV
- LLC IMERYS ALUMINATES
- METALLEION METALLEYMATON
- MICRON-ITA INDUSTRIA E COMERCIO DE MINERAIS LTDA
- MICRON-ITA MINERACAO LTDA
- MIKRO MINERAL ENDUSTRIYEL MINERALLER SANAYI VE TICARET A.S.
- MILOS INITIATIVE
- MILOS MINING MUSEUM
- MINERA ROCA RODANDO S.DE R.L. DE C.V.
- MINERAL RESOURCES DEVELOPMENT (M.R.D.) CO. LTD
- MINERALIEN SCHIFFAHRT SPEDITION UND TRANSPORT GMBH - MST
- MINVEN - (C-E MINERALES DE VENEZUELA)
- MIRCAL
- MIRCAL AUSTRALIA PTY LTD
- MIRCAL BRESIL
- MIRCAL DE MEXICO SA DE CV
- MIRCAL EUROPE
- MIRCAL ITALIA SPA
- MONREFCO GMBH
- MRD-ECC CO. LTD
- MSL MINERAIS S.A.
- NIIGATA GCC LTD
- NIPPON POWER GRAPHITE CO., LTD
- NORTH AFRICAN INDUSTRIAL MINERAL EXPLORATION SARL - NAIMEX
- NYCO MINERALS, LLC
- ORGANIK MADENCILIK AS
- PABALK MADEN SANAYI VE TICARET A.S.
- PARIMETAL
- PARNASSE TRENTÉ DEUX

Schedule I – Imerys Corporate Parties

- PERAMIN AB
- PERGEM MINERAL MADENCILIK SANAYI VE TICARET AS
- PGB SA
- PLIBRICO INSTALACIONES REFRACTARIAS
- PPSA
- PPSA OVERSEAS LTD
- PT BINAH SURINDAH CEMERLANG
- PT ESENSINDO CIPTA CEMERLANG
- PT IMERYS CERAMICS INDONESIA
- PT INDOPORLEN
- PT INDOPORLEN SAKTI
- PT STOLLBERG - SAMIL INDONESIA
- PYRAMAX CERAMICS SOUTHEAST, LLC
- QA REFRACTORIES (PTY) LTD
- QINGDAO STOLLBERG & SAMIL CO., LTD
- QS ABRASIVI MARENGO SRL
- QUARTZ CORP (SHANGHAI) CO., LTD
- RECLAYM LIMITED
- REFRACTORY MINERALS (PTY) LTD
- RT 043 MINERACAO LTDA
- RUMICO FEUERFESTE BAUSTOFFE GMBH
- S&B BENTONITE CHAOYANG CO., LTD
- S&B ENDUSTRIYEL MINERALLER A.S.
- S&B HOLDING GMBH
- S&B INDUSTRIAL MINERALS (HENAN) CO., LTD
- S&B INDUSTRIAL MINERALS MOROCCO S.A.R.L.
- S&B INDUSTRIAL MINERALS SPAIN S.L.U.
- S&B MINERALS FINANCE SARL
- S&B MINERALS PARTICIPATIONS SARL
- S&B WINES S.A.
- SAMREC (PTY) LTD
- SERVICIOS PIEDRA TUMBANTE S.DE R.L. DE C.V.
- SHANDONG IMERYS MOUNT TAI CO., LTD
- SIBIMIN OVERSEAS LTD
- SPRINDEALS SIX PTY LTD
- STOLLBERG & SAMI CO., LTD
- TERMORAK (THAILAND) CO LTD
- THE QUARTZ CORP AS
- THE QUARTZ CORP SAS
- THE QUARTZ CORP USA
- TYGERKLOOF MINING (PTY) LTD
- US CERAMICS LLC
- VATUTINSKY KOMBINAT VOGNETRYVIV
- VERMICULITA Y DERIVADOS, SL

Schedule I – Imerys Corporate Parties

- VOUGIOUKLI QUARRIES AVEE
- XINYANG ATHENIAN MINING CO., LTD
- YBB CALCIUM PRODUCTS CO. LTD
- YUEYANG IMERYS ANTAI MINERALS CO., LTD
- ZHENGZHOU JIANAI SPECIAL ALUMINATES CO., LTD

FORMER AFFILIATES

- 11656490 CANADA INC.
- ADVANCED MINERALS CORPORATION
- AKROTIRIO TRAHILAS TRIA S.A.
- AMERICAN TRIPOLI, INC.
- ANADOLU PERLIT MEDENCILIK SANAYI
- ARC FUSED ALUMINA
- ARDOISE ET JARDIN
- AREFCON B.V.
- AREFCON HISMA B.V.
- ASSOS MERMER SANAYI VE TICARET LTD SIRKETI
- BAOTOU JINGYUAN GRAPHITE CO., LTD
- BLX TRADING SAS
- CALDERYS CHINA
- CALDERYS CZECH S.R.O
- CALDERYS DE MEXICO SA DE CV
- CALDERYS NORWAY AS
- CAPTELIA
- CARBONATOS ANDINOS SA
- C-E NEWELL, INC.
- CELITE MEXICANA, SA DE CV
- CHARGES MINERALES DU PERIGORD - CMP
- CHOICEWISE LIMITED
- CONDIMENTUM OY
- COVEO
- DALIAN JINSHENG FINE CHEMICAL INDUSTRY CO., LTD
- DAMOLIN ETRECHY
- DAMOLIN GMBH
- DAMOLIN INVESTMENT A/S
- DOLPHIN FELDSPAR PRIVATE LIMITED
- DOYET TERRE CUIE
- ECC OVERSEAS INVESTMENTS LTD
- ECC PACIFIC (AUSTRALIA) PTY LTD
- ECCA CALCIUM PRODUCTS, INC.
- EDWIN H. BRADLEY HOLDINGS LTD
- ELMIN BAUXITES S.R.L.
- ENGLISH CHINA CLAYS LTD
- EUROARGILLE

Schedule I – Imerys Corporate Parties

- EUROPE COMMERCE REFRACTORY
- FEL-MAC COMPANY LLC
- GOONAMARRIS LIMITED
- GRAN BIANCO CARRARA SRL
- GUIZHOU S&B NEW-TYPE MATERIALS CO., LTD
- GUIZHOU STAR MINERALS CO., LTD
- GUNUNG IMBANGAN SDN. BHD
- HARBORLITE (UK) LTD
- HJM INDUSTRIES SDN. BHD
- IGM FOR FIBRE GLASS
- IMERPLAST UK LIMITED
- IMERYS (SHANGHAI) FILTRATION MINERALS TRADING CO., LTD
- IMERYS ADVANCED MATERIALS (YINGKOU) CO., LTD
- IMERYS BENTONITE USA, LLC
- IMERYS CALCIUM SOLUTIONS AUSTRIA GMBH
- IMERYS CANADA 2004, INC.
- IMERYS CANADA LP
- IMERYS CARBONATES LLC
- IMERYS CERAMICS ESPAÑA
- IMERYS CERAMICS ITALIA
- IMERYS FINE CHEMICAL (CHANGSHU) CO., LTD
- IMERYS FUSED MINERALS (TAICANG) CO., LTD
- IMERYS FUSED MINERALS (ZIBO) CO., LTD
- IMERYS FUSED MINERALS HULL LIMITED
- IMERYS GRAPHITE & CARBON (CHANGZHOU) CO., LTD
- IMERYS GRAPHITE & CARBON GERMANY GMBH
- IMERYS GRAPHITE & CARBON USA, INC.
- IMERYS KAOLIN BELGIUM
- IMERYS KILN FURNITURE FRANCE
- IMERYS MICA SUZORITE INC.
- IMERYS MINERALES ESPANA, S.L.
- IMERYS MINERALES PERU S.A.C.
- IMERYS MINERALES SANTIAGO LIMITADA
- IMERYS MINERALI GAMALERO SRL
- IMERYS MINERALS (HEZHOU) CO., LTD
- IMERYS MINERALS CALIFORNIA, INC.
- IMERYS MINERALS HONG KONG LIMITED
- IMERYS MINERAUX DE TUNISIE "IMT"
- IMERYS MINING DEVELOPMENT (QINGYANG) CO., LTD
- IMERYS PAPER CARBONATES LLC
- IMERYS PERLITA PAULINIA MINERAIS LTDA
- IMERYS PIGMENTS TRADING (SHANGHAI) CO., LTD
- IMERYS PIGMENTS, INC.
- IMERYS REFRACTARIOS PARTICIPACOES MONTE DOURADO LTDA

Schedule I – Imerys Corporate Parties

- IMERYS REFRACTORY MINERALS JAPAN KK
- IMERYS TABLEWARE BALKANS SRL
- IMERYS TABLEWARE GUANGZHOU CO., LTD
- IMERYS TABLEWARE NEW ZEALAND LTD
- IMERYS TALC CALIFORNIA, INC.
- IMERYS TALC DELAWARE, INC.
- IMERYS TALC OHIO, INC.
- IMERYS TC
- IMERYS TECHNOLOGY CENTER AUSTRIA GMBH
- IMERYS TOITURE BELGIE N.V.
- IMERYS VOSTOK
- IMERYS WINDFARM PROJECT LTD
- IMERYS YILONG ANDALUSITE (XINJIANG) CO, LTD
- IMPALA ADMINCO LTD
- INDUSTRIALMIN
- ITACA S.R.L.
- KAOLINS DE NOZAY (SOCIÉTÉ ANONYME DES)
- KAOPOLITE, INC.
- KERAPLAN GMBH
- KERN TECH 1
- KERN TECH 2
- KERN TECH 3
- KERNEOS DE MEXICO SA DE CV
- KERNEOS ESPANA SL
- KERNEOS HOLDING GROUP SAS
- KERNEOS HOLDING NORTH AMERICA, INC.
- KERNEOS POLSKA SP. Z.O.O.
- KERNEOS SERVICIOS SA DE CV
- KILITEAM V
- KORUND D.O.O.
- KPCL K.V.S.
- LA FRANCAISE DES TUILES ET BRIQUES
- L-IMERYS INDUSTRIA E COMERCIO DE CAL LTDA
- LUXOL PHOTOVOLTAICS SN
- LUZENAC MICRO MILLING LIMITED
- MAGEMO SCI
- MASSA MINERALI SRL
- MATISCO DEVELOPPEMENT
- METRAMCO (PTY) LTD
- MINERAL HOLDINGS, INC.
- MINERALS MILLING TUNISIA
- MINERALS TRADING, INC.
- MIRCAL ARGENTINA SRL
- MIRCAL ASIA

Schedule I – Imerys Corporate Parties

- MIRCAL CHILI
- MIRCAL TALC HOLDING
- MSL OVERSEAS LTD
- MULLITE COMPANY OF AMERICA – MULCOA
- N.G. JOHNSON (NORTHERN) HOLDINGS LIMITED
- N.G. JOHNSON LIMITED
- NIZEROLLES
- NYCO MINERALS CANADA, INC.
- PANSHI HUANYU WOLLASTONITE CO., LTD
- PARNASSE TRENTE ET UN
- PARNASSE TRENTE TROIS
- PARNASSE VINGT DEUX
- PERU MINERALS CORPORATION
- PERUCO, INC.
- PLIBRICO LTD
- PLR REFRACTAIRES SAS U
- PROFIMO
- PROPERTY COMPANY ONE
- PROPERTY COMPANY TWO
- PYRAMAX CERAMICS ARKANSAS, LLC
- PYRAMAX CERAMICS, LLC
- QUARTZ DE MAURITANIE SA
- RECURSOS MINERALES DEL NORTE, SA DE CV
- S&B INDUSTRIAL MINERALS (SHANGHAI) CO., LTD
- S&B INDUSTRIAL MINERALS (TIANJIN) CO., LTD
- S&B MINERALS LIMITED
- S&B MINERALS PARTICIPATIONS 2 SARL
- S&B MINERALS PARTICIPATIONS LLC
- S&B MINERALS US HOLDING GMBH
- S&B MINERALS VERWALTUNG GMBH
- SAMREC VERMICULITE (ZIMBABWE) (PRIVATE) LTD
- SCEA STE COLOMBE
- SCOVER PLUS
- SEG
- SET LININGS GMBH
- SIDEX MONOLITHIQUES SRL
- SILLA DE PAITA S.A.C.
- SLS BAUSTOFFE GESELLSCHAFT MBH
- SOCIEDAD MINERA CELITE DEL PERU SA
- SOCIETE DE VALORISATION DES MINERAUX INDUSTRIELS SAS
- SOTRIVAL
- TALIMMO
- TENNESSEE ELECTRO MINERALS, INC. – TECO
- TERMORAK AB

Schedule I – Imerys Corporate Parties

- TERMORAK OY
- TOKAI CERAMICS CO., LTD
- TREIBACHER SCHLEIFMITTEL ABRASIVES KAILI CO., LTD
- TREIBACHER SCHLEIFMITTEL ASIA LTD
- TREIBACHER SCHLEIFMITTEL INTERNATIONALE VERTRIEBS MBH
- TREIBACHER SCHLEIFMITTEL ITALIA P. MAROZZI & CO SAS
- UCM GROUP LTD
- UCM MAGNESIA, INC.
- UNITEC CERAMICS LIMITED
- VERMICULITE INTERNATIONAL SALES
- WORLD MINERALS AMERICA LATINA, SA
- WORLD MINERALS USD LLC
- WORLD MINERALS USD SARL
- ZHENGZHOU TREIBACHER SCHLEIFMITTEL TENGDA ABRASIVES CO., LTD

SCHEDULE II

Imerys Plan Proponents

SCHEDULE II
Imerys Plan Proponents

1. ALMATECH MINERAL INTERNATIONAL LIMITED
2. IMERTECH
3. IMERYS (SHANGHAI) INVESTMENT MANAGEMENT CO., LTD.
4. IMERYS CANADA INC.
5. IMERYS CARBONATES USA
6. IMERYS CLAYS, INC.
7. IMERYS DIATOMITA MEXICO, SA DE CV
8. IMERYS DO BRASIL COMERCIO DE EXTRAÇÃO DE MINÉRIOS
9. IMERYS FILTRATION MINERALS, INC.
10. IMERYS GRAPHITE & CARBON CANADA INC.
11. IMERYS HIGH RESISTANCE MINERALS JAPAN KK
12. IMERYS ITATEX SOLUCOES MINERAIS LTDA
13. IMERYS MICA KINGS MOUNTAIN INC.
14. IMERYS MINERALI SPA
15. IMERYS MINERALS AUSTRALIA PTY LTD
16. IMERYS MINERALS INTERNATIONAL SALES S.A.
17. IMERYS MINERALS KOREA LTD
18. IMERYS PERFORMANCE AND FILTRATION MINERALS PRIVATE LIMITED
19. IMERYS RIO CAPIM CAULIM S.A.
20. IMERYS SERVICES
21. IMERYS SPECIALITIES JAPAN CO. LIMITED
22. IMERYS TALC AUSTRALIA PTY LTD
23. IMERYS TALC AUSTRIA GMBH
24. IMERYS TALC BELGIUM
25. IMERYS TALC EUROPE
26. IMERYS TALC ITALY S.P.A.¹
27. IMERYS TALC LUZENAC FRANCE
28. IMERYS USA, INC.
29. IMERYS WOLLASTONITE USA, LLC
30. KENTUCKY-TENNESSEE CLAY COMPANY
31. MINERA ROCA RODANDO S. DE. R.L. DE C.V.
32. NYCO MINERALS, LLC

1. Imerys Talc Italy S.p.A. is only an Imerys Plan Proponent to the extent it does not commence a bankruptcy case.

TAB B

This is
EXHIBIT "B"
to the Affidavit of
ANTHONY WILSON
Sworn June 29, 2020

DocuSigned by:

Nicholas Avis

2C12EFAB5242430...

Nicholas Avis
Commissioner for Taking Affidavits
LSO #76781Q

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING “ADEQUATE INFORMATION” WITHIN THE MEANING OF SECTION 1125(A) OF THE BANKRUPTCY CODE. ACCORDINGLY, THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT APPROVES THIS DISCLOSURE STATEMENT. IN ADDITION, THIS DISCLOSURE STATEMENT MAY BE REVISED TO REFLECT EVENTS THAT OCCUR AFTER THE DATE HEREOF BUT PRIOR TO THE BANKRUPTCY COURT’S APPROVAL OF THIS DISCLOSURE STATEMENT.

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

-----	X
In re:	: Chapter 11
	:
IMERYS TALC AMERICA, INC., <i>et al.</i> , ¹	: Case No. 19-10289 (LSS)
	:
Debtors.	: (Jointly Administered)
	:
-----	:
In re:	: Chapter 11
	:
IMERYS TALC ITALY S.P.A.,	: Case No. [Not yet filed]
	:
Debtor.	: [Joint Administration To Be Requested]
	:
-----	X

DISCLOSURE STATEMENT FOR JOINT CHAPTER 11 PLAN OF REORGANIZATION OF IMERYS TALC AMERICA, INC. AND ITS DEBTOR AFFILIATES UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (6358), Imerys Talc Vermont, Inc. (9050) and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076. This solicitation is also being conducted by Imerys Talc Italy S.p.A. pursuant to sections 1125(g) and 1126(b) of the Bankruptcy Code and Bankruptcy Rule 3018. If the Plan is accepted by the requisite number of claimants in Class 4, Imerys Talc Italy S.p.A. will commence a bankruptcy case that will be, pending entry of an order by the Bankruptcy Court, jointly administered under Case No. 19-10289 (LSS).

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Representative*

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Counsel for the Imerys Plan Proponents

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IMPORTANT DATES

Date by which Ballots must be received: [September 3], 2020

Date by which objections to confirmation of the Plan must be filed and served: [September 18], 2020

Date of Confirmation Hearing: [October 21], 2020

DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES TO, AND CONFIRMATION OF, THE PLAN AND MAY NOT BE RELIED UPON FOR ANY OTHER PURPOSE.

THIS SOLICITATION IS BEING CONDUCTED NOT ONLY WITH RESPECT TO THE DEBTORS IN THE ABOVE-CAPTIONED BANKRUPTCY CASES, BUT ALSO BY **IMERYS TALC ITALY S.P.A.** PRIOR TO ITS FILING OF A VOLUNTARY PETITION UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE. BECAUSE NO CHAPTER 11 CASE HAS YET BEEN COMMENCED FOR IMERYS TALC ITALY S.P.A., THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING "ADEQUATE INFORMATION" WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE WITH RESPECT TO IMERYS TALC ITALY S.P.A. FOLLOWING COMMENCEMENT OF ITS CHAPTER 11 CASE, IMERYS TALC ITALY S.P.A. EXPECTS TO PROMPTLY SEEK AN ORDER OF THE BANKRUPTCY COURT APPROVING THIS DISCLOSURE STATEMENT AND THE SOLICITATION OF VOTES. THE ASSETS AND LIABILITIES OF IMERYS TALC ITALY S.P.A. ARE DESCRIBED IN DETAIL IN THIS DISCLOSURE STATEMENT.

ALL CREDITORS ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ITS ATTACHED EXHIBITS INCLUDING THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS AND SCHEDULES ATTACHED TO THE PLAN AND THE PLAN SUPPLEMENT, WHICH CONTROL OVER THE DISCLOSURE STATEMENT IN THE EVENT OF ANY INCONSISTENCY OR INCOMPLETENESS. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE OF THIS DISCLOSURE STATEMENT, AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER THIS DATE.

ANY STATEMENTS IN THIS DISCLOSURE STATEMENT CONCERNING THE PROVISIONS OF ANY DOCUMENT ARE NOT NECESSARILY COMPLETE, AND IN EACH INSTANCE REFERENCE IS MADE TO SUCH DOCUMENT FOR THE FULL TEXT THEREOF.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016 OF THE BANKRUPTCY RULES AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW.

PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING, OR TRANSFERRING CLAIMS OR EQUITY INTERESTS AGAINST THE DEBTORS SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH THEY WERE PREPARED.

THIS DISCLOSURE STATEMENT AND ANY ACCOMPANYING LETTERS ARE THE ONLY DOCUMENTS TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES ON THE PLAN. NO SOLICITATION OF VOTES MAY BE MADE EXCEPT AFTER DISTRIBUTION OF THIS DISCLOSURE STATEMENT. NO PERSON HAS BEEN AUTHORIZED TO DISTRIBUTE ANY INFORMATION CONCERNING THE PLAN OTHER THAN THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND ANY ACCOMPANYING LETTERS.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES, ASSUMPTIONS, AND PROJECTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL FUTURE RESULTS. THE WORDS “BELIEVE,” “MAY,” “WILL,” “ESTIMATE,” “CONTINUE,” “ANTICIPATE,” “INTEND,” “EXPECT,” AND SIMILAR EXPRESSIONS IDENTIFY THESE FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A NUMBER OF RISKS, UNCERTAINTIES, AND ASSUMPTIONS, INCLUDING THOSE DESCRIBED IN ARTICLE IX, “CERTAIN FACTORS TO BE CONSIDERED.” IN LIGHT OF THESE RISKS AND UNCERTAINTIES, THE FORWARD-LOOKING EVENTS AND CIRCUMSTANCES DISCUSSED IN THIS DISCLOSURE STATEMENT MAY NOT OCCUR, AND ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN THE FORWARD-LOOKING STATEMENTS. THE DEBTORS AND THE REORGANIZED DEBTORS DO NOT UNDERTAKE ANY OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE.

EXCEPT WHERE SPECIFICALLY NOTED, THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT AND HAS NOT BEEN PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. THE HISTORICAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN OBTAINED FROM SUCH REPORTS AND OTHER SOURCES OF INFORMATION AS ARE AVAILABLE TO THE DEBTORS.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS, AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST, OR EQUITY INTERESTS IN, EITHER THE DEBTORS OR THE REORGANIZED DEBTORS.

ARTICLE I.

INTRODUCTION

This Disclosure Statement² is being furnished by the Plan Proponents as co-proponents of the *Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code*, dated May 15, 2020, pursuant to section 1125 of the Bankruptcy Code, and in connection with the solicitation of votes for acceptance or rejection of the Plan.

ITA, ITV, and ITC are debtors in the Chapter 11 Cases³ pending in the Bankruptcy Court. ITI, an affiliate of the North American Debtors,⁴ may file (but has not yet filed) a chapter 11 case. If and when ITI files a chapter 11 case, the Debtors will ask the Bankruptcy Court to enter an order jointly administering ITI's chapter 11 case with the Chapter 11 Cases under lead case number 19-10289 (LSS). The contemplated filing of ITI is designed to address the Talc Personal Injury Claims against ITI, and ITI's filing is contingent upon acceptance of the Plan by the holders of such Claims, as described more fully below. As a result, certain holders of Claims against ITI are being solicited through this Disclosure Statement to vote on the Plan prior to ITI's contemplated chapter 11 filing.

This Disclosure Statement is being transmitted in order to provide adequate information to enable holders of Claims in Class 4 (Talc Personal Injury Claims) who are the sole Impaired Class entitled to vote on the Plan to make an informed judgment in exercising their right to vote to accept or reject the Plan.

By order dated [____], 2020, the Bankruptcy Court approved this Disclosure Statement as to the North American Debtors in accordance with section 1125 of the Bankruptcy Code, and found that it contained "adequate information" sufficient to enable a hypothetical investor of the relevant class to make an informed judgment about the Plan, and authorized its use in connection with the solicitation of votes with respect to the Plan. **APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN.** No solicitation of votes may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code.

Because no chapter 11 case has yet been commenced for ITI, this Disclosure Statement has not been approved by the Bankruptcy Court as containing "adequate information" within the

² Capitalized terms used but not defined in this Disclosure Statement have the meanings ascribed to them in Article I of the Plan. To the extent that a term is defined in this Disclosure Statement and is defined in the Plan, the definition contained in the Plan controls.

³ As the context requires, Chapter 11 Cases includes the case to be commenced in the Bankruptcy Court under chapter 11 of the Bankruptcy Code for ITI.

⁴ The term "**Debtors**" refers to ITA, ITV, and ITC, and to the extent ITI commences a proceeding under the Bankruptcy Code, the term "Debtors" also refers to ITI. The term "**North American Debtors**" refers to ITA, ITV, and ITC.

meaning of section 1125(a) of the Bankruptcy Code with respect to ITI. If the requisite votes are obtained, following commencement of its chapter 11 case, ITI expects to promptly seek an order of the Bankruptcy Court approving this Disclosure Statement and the solicitation of votes with respect to ITI.

1.1 Voting and Confirmation.

Article X of this Disclosure Statement specifies the deadlines, procedures, and instructions for voting to accept or reject the Plan, as well as the applicable standards for tabulating Ballots (as defined below). The following is an overview of certain information related to voting that is contained in Article X of this Disclosure Statement and elsewhere in this Disclosure Statement.

Each holder of a Claim in Class 4 is entitled to vote to accept or reject the Plan. Class 4 shall have accepted the Plan pursuant to the requirements of sections 1126(c) and 524(g) of the Bankruptcy Code if at least two-thirds (2/3) in amount and seventy-five percent (75%) in number of those voting Claims in Class 4 (Talc Personal Injury Claims) voted to accept the Plan. Assuming the requisite acceptances are obtained, the Plan Proponents intend to seek confirmation of the Plan at the Confirmation Hearing scheduled for [October 21], 2020, at [10:00] a.m. (Prevailing Eastern Time) before the Bankruptcy Court. **For the avoidance of doubt, though proposed jointly, the Plan constitutes a separate Plan for each Debtor. Accordingly, a vote cast either to accept or reject the Plan by holders of Claims in Class 4 will be applied in the same manner and in the same amount against each Debtor.**

The Debtors have engaged Prime Clerk LLC (the “Solicitation Agent” or “Claims Agent”) to assist in the voting process.

The Solicitation Agent will provide additional copies of all materials and process and tabulate Ballots for Class 4.

TO BE COUNTED, YOUR BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE RECEIVED BY THE SOLICITATION AGENT NO LATER THAN 4:00 P.M. (PREVAILING EASTERN TIME) ON [SEPTEMBER 3], 2020 (the “Voting Deadline”), unless the Plan Proponents, in their sole discretion, extend the period during which votes will be accepted on the Plan, in which case the term “Voting Deadline” shall mean the last date on, and time by which, such period is extended. Any executed Ballot that does not indicate either an acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan will not be counted as an acceptance or rejection and will not count toward the tabulations required pursuant to either sections 524(g) or 1129 of the Bankruptcy Code.

Prior to deciding whether and how to vote on the Plan, each holder of a Claim entitled to vote should consider carefully all of the information in this Disclosure Statement, including Article IX entitled “*Certain Factors to be Considered.*”

THE PLAN PROPONENTS BELIEVE THAT THE PLAN IS IN THE BEST INTERESTS OF ALL CREDITORS OF THE DEBTORS. THE PLAN PROPONENTS RECOMMEND THAT ALL HOLDERS OF CLAIMS AGAINST THE DEBTORS, WHOSE VOTES ARE BEING SOLICITED, SUBMIT BALLOTS TO ACCEPT THE PLAN.

ARTICLE II.

OVERVIEW OF THE PLAN

The following is a general overview of how the Plan treats all holders of Claims against, and Equity Interests in, the Debtors. It is qualified in its entirety by, and should be read in conjunction with, the more detailed discussions, information, financial statements, and notes appearing elsewhere in this Disclosure Statement and in the Plan. For a more detailed description of the terms and provisions of the Plan, please refer to Article VII of this Disclosure Statement titled “*The Plan of Reorganization.*”

Each of the Debtors is a proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code. The Plan does not contemplate the substantive consolidation of the Debtors’ Estates. Instead, the Plan, although proposed jointly, constitutes a separate chapter 11 plan for each of ITA, ITV, ITC, and ITI (to the extent ITI commences a proceeding under the Bankruptcy Code).

In developing the Plan, the Debtors engaged in good-faith, arms’-length negotiations with Imerys S.A., the Tort Claimants’ Committee, and the FCR. The Debtors are pleased to report that, subject to the terms of the letters accompanying this Disclosure Statement, both the Tort Claimants’ Committee and the FCR support the Plan and are Plan Proponents.

2.1 General Overview

The North American Debtors commenced their Chapter 11 Cases in order to manage the significant potential liabilities arising from claims by plaintiffs alleging personal injuries caused by exposure to talc mined, processed and/or distributed by one or more of the North American Debtors. As of the Petition Date, one or more of the North American Debtors had been sued by approximately 14,650 claimants seeking damages for personal injuries allegedly caused by exposure to the North American Debtors’ talc products, with the vast majority of such claims (approximately 98.6%) based on alleged exposure to cosmetic talc products.

The Debtors’ stated purpose of the Chapter 11 Cases is to confirm a plan of reorganization that will maximize the value of the Debtors’ assets for the benefit of all stakeholders and, pursuant to sections 524(g) and 105(a) of the Bankruptcy Code, will include a trust mechanism to address Talc Personal Injury Claims in a fair and equitable manner. The Plan Proponents believe that the Plan accomplishes these goals. Indeed, the Plan embodies a global settlement of issues (the “**Imerys Settlement**”) among the Plan Proponents.

A Talc Personal Injury Trust will be established pursuant to the Plan that will comply in all respects with the requirements of section 524(g)(2)(B)(i) of the Bankruptcy Code, and assume all Talc Personal Injury Claims. The Talc Personal Injury Trust will be funded with the Talc Personal Injury Trust Assets in order to resolve Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents. The Plan also contemplates a section 363 sale process, by which the assets of the North American Debtors will be marketed to third parties pursuant to a court-approved sale process. The net proceeds from the Sale (as defined below), will be used to fund the Talc Personal Injury Trust. As further described in this Disclosure Statement, the Talc

Personal Injury Trust will manage the Talc Personal Injury Trust Assets, and liquidate such assets to enable it to resolve Talc Personal Injury Claims pursuant to the Trust Distribution Procedures.

Under the Plan, holders of Allowed Unsecured Claims against the North American Debtors that are not Talc Personal Injury Claims will be paid in full.

Although ITI is not currently in bankruptcy, ITI will solicit acceptance of the Plan as a “prepackaged plan of reorganization” and if the Plan is approved by the requisite number and amount of holders of Talc Personal Injury Claims, it would provide for the permanent settlement of Talc Personal Injury Claims against ITI contemporaneously with the Talc Personal Injury Claims against the North American Debtors. Holders of Equity Interests in and Claims against ITI (other than holders of Talc Personal Injury Claims) will be Unimpaired, or otherwise “ride through,” the Chapter 11 Cases.

(a) *The Channeling Injunction*

The Channeling Injunction to be issued as part of the Plan will permanently and forever stay, bar, and enjoin holders of Talc Personal Injury Claims from taking any action for the purpose of, directly or indirectly or derivatively collecting, recovering, or receiving payment of, on, or with respect to any Talc Personal Injury Claim other than from the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Agreement and the Trust Distribution Procedures. Each holder of a Talc Personal Injury Claim will have no right whatsoever at any time to assert its Talc Personal Injury Claim against any Protected Party or any property or interest in property of any Protected Party. The Protected Parties include: (i) the Debtors and any Person who served as a director or officer of either Debtor at any time during the Chapter 11 Cases, but solely in such Person’s capacity as such; (ii) the Reorganized Debtors; (iii) the Imerys Protected Parties; (iv) any Person, except for the Talc Personal Injury Trust, that, pursuant to the Plan or otherwise, after the Effective Date, becomes a direct or indirect transferee of, or successor to, the Debtors, the Reorganized Debtors, or any of their respective assets (but only to the extent that liability is asserted to exist as a result of its becoming such a transferee or successor); (v) the Buyer (as defined below) (but only to the extent that liability is asserted to exist as a result of its becoming a transferee or successor to the Debtors); (vi) any Settling Talc Insurance Company; (vii) prior to the Effective Date, each Person that contributes funds, proceeds, or other consideration to or for the benefit of the Talc Personal Injury Trust and is designated, with the consent of the Debtors, the Tort Claimants’ Committee, and the FCR, in the Confirmation Order and/or the Affirmation Order, to be a Protected Party; and (viii) following the Effective Date, each Person that contributes funds, proceeds, or other consideration to or for the benefit of the Talc Personal Injury Trust and is designated as a Protected Party by the Talc Personal Injury Trust, the Talc Trust Advisory Committee, and the FCR; *provided, however*, that any post-Effective Date addition to the list of Protected Parties does not become effective until entry of a Final Order approving the addition.

The effect of “channeling” Talc Personal Injury Claims to the Talc Personal Injury Trust is that Talc Personal Injury Claims may only be pursued against, and resolved by, the Talc Personal Injury Trust. Following the Effective Date of the Plan, Talc Personal Injury Claims may not be asserted against the Debtors, the Reorganized Debtors, or any other Protected Party. For the avoidance of doubt, Talc Personal Injury Claims include Indirect Talc Personal Injury Claims and Talc Personal Injury Demands.

(b) *Imerys Settlement*

To resolve the Debtors' Talc Personal Injury Claims the Plan incorporates a global settlement between the Plan Proponents that provides that, *inter alia*:

- the Debtors will commence a 363 sale process to sell substantially all assets of the North American Debtors (the "**Sale**") to one or more purchaser(s) (the "**Buyer**"), in which Imerys S.A. or its non-debtor affiliates (each, a "**Non-Debtor Affiliate**", and together with Imerys S.A., "**Imerys**") may participate in any auction as bidder, but will not be designated as a stalking horse purchaser (if any is selected);
- in the event the Plan is properly accepted by holders of Talc Personal Injury Claims, ITI will commence a chapter 11 bankruptcy proceeding to be jointly administered (subject to Bankruptcy Court approval) with the North American Debtors' Chapter 11 Cases prior to the Confirmation Hearing;
- the equity interests in the North American Debtors will be canceled, and on the Effective Date, equity interests in the Reorganized North American Debtors will be authorized and issued to the Talc Personal Injury Trust;
- the equity interests in ITI will be reinstated following the Effective Date, with approximately 99.66% of such equity interests retained by Mircal Italia S.p.A. ("**Mircal Italia**"), a Non-Debtor Affiliate.

Imerys S.A. has agreed to make, or cause the Imerys Contribution to be made in exchange for the releases and channeling injunction benefiting the Imerys Protected Parties as contemplated pursuant to the Plan. As further described below, the Imerys Contribution includes (i) the Imerys Settlement Funds, (ii) the Imerys Cash Contribution, (iii) the Talc Trust Contribution, and (iv) the Additional Contribution (each as defined below).

Imerys Settlement Funds

On or before the Effective Date, Imerys will contribute or cause to be contributed, the Imerys Settlement Funds to the Debtors or the Reorganized Debtors, as applicable, which the Debtors or the Reorganized Debtor, will contribute to the Talc Personal Injury Trust upon the Effective Date.

The Imerys Settlement Funds are comprised of: (i) \$75 million, consisting of Cash and the Talc PI Note, (ii) 100% of the Sale Proceeds, and (iii) a contingent purchase price enhancement of up to \$102.5 million, subject to the value of the Sale Proceeds. The contingent purchase price enhancement is described in Section 6.2(b) of this Disclosure Statement. For the avoidance of doubt, the net proceeds from the Sale(s) will be paid by the Buyer to the North American Debtors, as applicable, upon the close of the Sale(s) and then contributed to the Talc Personal Injury Trust.

Imerys Cash Contribution

As provided in the Plan, on or prior to the Effective Date, Imerys has agreed to contribute, or cause to be contributed, the following to the Debtors or the Reorganized Debtors, as applicable (the “**Imerys Cash Contribution**”):

- (1) the balance of the Intercompany Loan (as defined below) totaling approximately \$22.7 million as of May 8, 2020, for the purpose of funding administrative expenses during the pendency of the Chapter 11 Cases, as well as certain of the Reserves;
- (2) \$5 million (less any amounts already paid and noted in an accounting to the Tort Claimants’ Committee and the FCR) for payment of Allowed Claims in Class 3a through inclusion in the Reorganized North American Debtor Cash Reserve or the Disputed Claims Reserve, as applicable; and
- (3) up to \$15 million, to the extent the Debtors do not have available Cash to pay all Administrative Claims in full on the Effective Date and would otherwise be administratively insolvent; *provided* that Imerys S.A. shall fund the Debtors’ administrative expenses as follows: Imerys S.A. shall pay fifty percent (50%) of such expenses in Cash (in an amount not to exceed \$15 million) and fifty percent (50%) shall be funded by a dollar-for-dollar reduction of the Imerys Settlement Funds (in an amount not to exceed \$15 million) (the “**Contingent Contribution**”).

Talc Trust Contribution

In addition to the Imerys Cash Contribution, Imerys has agreed to contribute, or cause to be contributed, the following to the Talc Personal Injury Trust (the “**Talc Trust Contribution**”) on or prior to the Effective Date:

- (1) indemnification interests (or proceeds thereof) held by a Non-Debtor Affiliate, but only to the extent such interests or proceeds relate to indemnification that may be available to pay Talc Personal Injury Claims against the Debtors or a Non-Debtor Affiliate, and rights and interests to the proceeds of the Shared Talc Insurance Policies, and all rights against third parties held by Non-Debtor Affiliates relating to Talc Personal Injury Claims, including any related indemnification rights, each of which is to be identified in the Plan Supplement (the “**Contributed Indemnity and Insurance Interests**”); and
- (2) the Talc PI Pledge Agreement.

The Additional Contribution

Finally, in addition to the Imerys Cash Contribution and the Talc Trust Contribution, on or prior to the Effective Date, Imerys has agreed to take the following actions (the “**Additional Contribution**”):

- (1) waive all Non-Debtor Intercompany Claims against the Debtors; and
- (2) unless otherwise assumed by the Buyer, assume any Pension Liabilities of the North American Debtors through and after the Effective Date of the Plan.

The Imerys Settlement is further described in Article VI of this Disclosure Statement.

(c) *Talc Personal Injury Trust*

The Plan contemplates the establishment of a Talc Personal Injury Trust that will assume all Talc Personal Injury Claims and resolve Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents.

On the Effective Date (unless otherwise noted below), the Talc Personal Injury Trust will receive the Talc Personal Injury Trust Assets, which include:

- the Imerys Settlement Funds;
- the balance of the Intercompany Loan not otherwise used to fund the Reserves or pay administrative expenses during the pendency of the Chapter 11 Cases;
- the balance of the \$5 million used for the payment of Allowed Claims in Class 3a not otherwise used to fund the (i) Reorganized North American Debtor Cash Reserve or (ii) the Disputed Claims Reserve;
- all non-Cash assets included in the Imerys Contribution, including the Contributed Indemnity and Insurance Assets;
- all Cash held by the North American Debtors on the Effective Date, not including the Cash used to fund the Reserves;
- all Cash remaining in the Reserves to the extent required by the Plan, if any (to be distributed to the Talc Personal Injury Trust in accordance with the Plan), *provided that* any Cash remaining in the Fee Claim Reserve or the Administrative Claim Reserve after all Fee Claims and Administrative Claims have been satisfied pursuant to the Plan that is attributable to the Contingent Contribution, shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A;
- the Talc Personal Injury Trust Causes of Action and any and all proceeds thereof;
- the Talc Insurance Actions and the Talc Insurance Action Recoveries;
- the rights of the Debtors with respect to the Talc Insurance Policies, the Talc Insurance Settlement Agreements, the Talc Insurance Buyback Agreements, and Claims thereunder;
- the Reorganized North American Debtor Stock; and

- any and all other funds, proceeds, or other consideration otherwise contributed to the Talc Personal Injury Trust pursuant to the Plan and/or the Confirmation Order or other order of the Bankruptcy Court.

For the reasons detailed in this Disclosure Statement, the Plan Proponents believe that there will be substantially more assets available to resolve Talc Personal Injury Claims under the Plan than would be the case if there were a chapter 7 liquidation. Pursuant to the Plan, Imerys is contributing substantial assets to the Talc Personal Injury Trust, which would not be otherwise available for holders of Talc Personal Injury Claims. In addition, the Plan anticipates a value-maximizing sale process that could result in additional proceeds being available for distribution to holders of Talc Personal Injury Claims. For these and other reasons explained in detail herein, the Plan Proponents believe that all holders of Talc Personal Injury Claims, the only Class entitled to vote, should vote to accept the Plan.

2.2 Summary Description of Classes and Treatment

Except for Administrative Claims and Priority Tax Claims, which are not required to be classified, all Claims and Equity Interests are divided into classes under the Plan. The following chart summarizes the treatment of such classified and unclassified Claims and Equity Interests under the Plan. This chart is only a summary of such classification and treatment and reference should be made to the entire Disclosure Statement and the Plan for a complete description of the classification and treatment of Claims and Equity Interests. The Plan Proponents reserve the right to modify the Plan consistent with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019.

The summary of classification and treatment of Claims against and Equity Interests in the Debtors is as follow:

Class	Designation⁵	Applicable Debtor(s)	Treatment	Impairment and Entitlement to Vote
1	Priority Non-Tax Claims	All Debtors	Each holder of an Allowed Priority Non-Tax Claim shall receive Cash equal to the Allowed Amount of such Priority Non-Tax Claim.	Unimpaired Not Entitled to Vote (Presumed to Accept)
2	Secured Claims	All Debtors	All Allowed Secured Claims in Class 2 shall be treated pursuant to one of the following alternatives on the Distribution Date: (i) payment in full in Cash in accordance with section 506(a) of the Bankruptcy Code; (ii) reinstatement pursuant to section 1124 of the Bankruptcy Code; (iii) such other treatment as the Debtor and the holder shall agree; or (iv) such other treatment as may be necessary to render such Claim Unimpaired.	Unimpaired Not Entitled to Vote (Presumed to Accept)

⁵ The Plan Proponents reserve the right to eliminate any Class of Claims in the event they determine that there are no Claims in such Class.

Class	Designation⁵	Applicable Debtor(s)	Treatment	Impairment and Entitlement to Vote
3a	Unsecured Claims Against the North American Debtors	North American Debtors	Each holder of an Allowed Unsecured Claim against the North American Debtors shall be paid the Allowed Amount of its Unsecured Claim on the Distribution Date. Such payment shall be (i) in full, in Cash, plus post-petition interest at the federal judgment rate in effect on the Petition Date, or (ii) upon such other less favorable terms as may be mutually agreed upon between the holder of the Unsecured Claim and the applicable North American Debtor or Reorganized North American Debtor.	Unimpaired Not Entitled to Vote (Presumed to Accept)
3b	Unsecured Claims Against ITI	ITI	The legal, equitable, and contractual rights of the holders of Unsecured Claim against ITI are unaltered by the Plan. Except to the extent that a holder of an Unsecured Claim against ITI agrees to a different treatment, on and after the Effective Date, Reorganized ITI will continue to pay or dispute each Unsecured Claim in the ordinary course of business in accordance with applicable law.	Unimpaired Not Entitled to Vote (Presumed to Accept)
4	Talc Personal Injury Claims	All Debtors	On the Effective Date, liability for all Talc Personal Injury Claims shall be channeled to and assumed by the Talc Personal Injury Trust without further act or deed and shall be resolved in accordance with the terms and procedures of the Talc Personal Injury Trust and the Trust Distribution Procedures. Pursuant to the Plan and the Trust Distribution Procedures, each holder of a Talc Personal Injury Claim shall have its Claim permanently channeled to the Talc Personal Injury Trust, and such Claim shall thereafter be asserted exclusively against the Talc Personal Injury Trust and resolved and paid by the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures.	Impaired (Entitled to Vote)
5a	Non-Debtor Intercompany Claims	All Debtors	On or after the Effective Date, all Non-Debtor Intercompany Claims shall be canceled, discharged, or eliminated. Although Non-Debtor Intercompany Claims are Impaired, each holder of an Allowed Claim in Class 5a has consented to its treatment under the Plan as a Plan Proponent and is therefore presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code.	Impaired Not Entitled to Vote (Presumed to Accept)

Class	Designation⁵	Applicable Debtor(s)	Treatment	Impairment and Entitlement to Vote
5b	Debtor Intercompany Claims	All Debtors	At the election of the applicable Debtor, each Debtor Intercompany Claim shall (i) be reinstated, (ii) remain in place, and/or (iii) with respect to certain Debtor Intercompany Claims in respect of goods, services, interest, and other amounts that would have been satisfied in Cash directly or indirectly in the ordinary course of business had they not been outstanding as of the Petition Date, be settled in Cash.	Unimpaired Not Entitled to Vote (Presumed to Accept)
6	Equity Interests in the North American Debtors	North American Debtors	On the Effective Date, all Equity Interests in the North American Debtors shall be canceled, annulled, and extinguished. Although Equity Interests in the North American Debtors are Impaired, each holder of an Allowed Equity Interest in Class 6 has consented to its treatment under the Plan as a Plan Proponent and is therefore presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code.	Impaired Not Entitled to Vote (Presumed to Accept)
7	Equity Interests in ITI	ITI	On the Effective Date, all Equity Interests in ITI shall be reinstated and the legal, equitable, and contractual rights to which holders of Equity Interests in ITI are entitled shall remain unaltered to the extent necessary to implement the Plan.	Unimpaired Not Entitled to Vote (Presumed to Accept)

2.3 The Plan Supplement

Unless otherwise ordered by the Bankruptcy Court, the Plan Proponents will file the Plan Supplement with the Bankruptcy Court no later than seven (7) days prior to the earlier of (i) the deadline for submission of Ballots to vote to accept or reject the Plan, or (ii) the deadline to object to Confirmation of the Plan. The Plan Supplement will include: (a) a list of Executory Contracts and Unexpired Leases to be assumed by the North American Debtors, together with the Cure Amount for each such contract or lease; (b) a list of Executory Contracts and Unexpired Leases to be assumed by ITI, together with the Cure Amount for each such contract or lease; (c) a list of Executory Contracts and Unexpired Leases to be rejected by ITI; (d) a list of the Settling Talc Insurance Companies, if any; (e) a list of the North American Debtor Causes of Action; (f) a list of the ITI Causes of Action; (g) a list of the Contributed Indemnity and Insurance Interests; (h) the Cooperation Agreement; (i) the Amended Charter Documents; (j) the list of the officers and directors of the Reorganized North American Debtors; (k) the Talc PI Note; (l) the Talc PI Pledge Agreement; (m) the identity of the initial Talc Trustee(s); (n) a list of the initial members of the Talc Trust Advisory Committee; and (o) a list of the Talc Insurance Policies.

ARTICLE III.

GENERAL INFORMATION

This Article III provides a general overview of the North American Debtors' and ITI's corporate history, business operations, organizational structures, and assets. It also discusses the events leading to the filing of the Chapter 11 Cases.

3.1 History and Business, Organizational Structure, and Assets of the North American Debtors

(a) *Corporate History*

The Debtors were acquired in 2011 (the "**2011 Purchase**") by an Imerys Group⁶ holding company, Mircal S.A. ("**Mircal**"). Mircal entered into an agreement with Rio Tinto America, Inc. ("**Rio Tinto**") to purchase the stock of the Rio Tinto group's talc operations,⁷ including the stock of Luzenac America, Inc. ("**Luzenac America**") and Windsor Minerals, Inc. ("**Windsor**").⁸ The stock purchase agreement entitled Mircal to substitute other members of the Imerys Group to acquire individual talc-related entities from the Rio Tinto group, and Mircal exercised that right to cause Imerys Minerals Holding Limited (UK), an indirect, non-debtor subsidiary of Imerys S.A., to acquire the outstanding shares of Luzenac America. At the same time, Mircal also acquired the stock of Luzenac, Inc. ("**Luzenac**"), which is now known as ITC, from another member of the Rio Tinto group, QIT Fer & Titane, Inc. Mircal remains the direct parent entity of ITC. Luzenac America, Windsor, and Luzenac subsequently changed their names to ITA, ITV, and ITC, respectively.⁹

At the time of the 2011 Purchase there were only approximately eight Talc Personal Injury Claims pending against one or more of the Debtors, each of which was in the early stages of litigation. Since then, the number of suits has increased significantly, with over 16,000 on or prior to Petition Date.

⁶ The Imerys Group is a French multinational corporation comprised of over 360 affiliated entities directly and indirectly owned by Imerys S.A.

⁷ As used herein, "**Rio Tinto group**" refers to Rio Tinto, Rio Tinto America Holdings Inc., Rio Tinto Services Inc., and their affiliates.

⁸ The Debtors have been owned by various entities over their 100-year history. In 1989, Johnson & Johnson sold the stock of Windsor, which is now known as ITV, to Cyprus Mines Corporation ("**Cyprus Mines**"). In 1992, Cyprus Mines and its affiliates transferred such stock and all of their other assets in the talc business to a newly formed subsidiary, Cyprus Talc Corporation ("**CTC**"). As a result of this transaction, Windsor became a wholly-owned subsidiary of CTC. Contemporaneously with the 1992 transfer, RTZ America, Inc. (later known as Rio Tinto) purchased the outstanding shares of CTC. Also in 1992, CTC was renamed Luzenac America, which is now known as ITA. Windsor continued to remain a wholly-owned subsidiary of Luzenac America.

⁹ A timeline of the ownership history of each of the North American Debtors is included in the *Declaration of Alexandra Picard, Chief Financial Officer of the Debtors in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 10] (the "**First Day Declaration**").

(b) *North American Debtors' Operations*

The Debtors are in the business of mining, processing, selling, and/or distributing talc. Talc is mined from talc deposits, which were geologically formed through the transformation of existing rocks under the effect of hydrothermal fluids carrying one or several of the components needed to form the mineral. There are many types of talc and each ore body has its own features and geology. Accordingly, the mining and processing of talc requires highly-technical and specialized knowledge. Talc is used in the manufacturing of dozens of products in a variety of sectors, including coatings, rubber, paper, polymers, cosmetics, food, and pharmaceuticals.

The operations of the North American Debtors include talc mines, plants, and distribution facilities located in: Montana (Yellowstone, Sappington, and Three Forks); Vermont (Argonaut and Ludlow); Texas (Houston); and Ontario, Canada (Timmins, Penhorwood, and Foleyet). Talc sold by the North American Debtors is utilized in numerous products, including, but not limited to: polymers; paper; paints and coatings; specialties; rubber; personal care/cosmetics; building materials; and others. ITA and ITV sell talc directly to their customers as well as to third party and affiliate distributors. ITC exports the vast majority of its talc into the United States almost entirely on a direct basis to its customers.

As of the Petition Date, approximately 5% of the North American Debtors' revenues were from talc sales in the United States for personal care/cosmetic applications. In addition, as of the Petition Date, the North American Debtors' top customers in the personal care/cosmetic sector were manufacturers of baby powder (50% of personal care sales), makeup (30% of personal care sales), and soap (20% of personal care sales). Although there are other talc suppliers in the market, the North American Debtors were historically the sole supplier of cosmetic talc to J&J. The Debtors report that although personal care/cosmetic sales make up only a minor percentage of the North American Debtors' revenue, nearly all of the pending Talc Personal Injury Claims allege injuries based on use of cosmetic products containing talc, though some claims also allege injuries based on exposure to talc in an industrial setting.

Together, the North American Debtors are the market leader with respect to talc production in North America, representing nearly 50% of the market. Their main competitors are the following companies: Mineral Technologies Inc., American Talc Company, Inc., IMI Fabi, and Cimbar.

(c) *Existing Organizational Structure and Ongoing Businesses*

The North American Debtors continue to mine, process, and distribute talc, utilizing a core group of executives and staff personnel who are assisted by specialized outside professionals and consultants.

As of March 31, 2020, the North American Debtors employed approximately 281 employees – 183 by ITA, 28 by ITV, and 70 by ITC. These employees are located at the North American Debtors' offices in Roswell, Georgia, and talc mines, plants, and distribution facilities

in Montana, Vermont, Texas, and Ontario, Canada.¹⁰ Approximately 101 of the employees are salaried employees and approximately 180 of the employees are hourly employees. In addition, the North American Debtors' workforce also includes approximately 11 part-time employees and approximately 29 independent contractors.¹¹ The North American Debtors also rely on services provided by Imerys S.A. and certain Non-Debtor Affiliates under various shared services arrangements, as further described in the First Day Declaration and the Cash Management Motion (as defined below).

The officers (with position) of each of the North American Debtors as appointed by their respective boards of directors are: Giorgio La Motta (President), Anthony Wilson (Treasurer), and Ryan J. Van Meter (Secretary). In addition, the boards of directors of ITA and ITV consist of Kevin Collins, Giorgio La Motta, and Douglas Smith, and the board of directors of ITC consists of Kevin Collins, Giorgio La Motta, Douglas Smith, and Matthias Reisinger.

(d) *Description of the North American Debtors' Assets*

The North American Debtors' assets consist primarily of cash on hand, parent loan receivables, insurance assets and indemnification rights, inventory, machinery and equipment, mineral reserves, land and buildings, and accounts receivable. Each of these asset categories is described below.

(1) Cash and Investments

As of March 31, 2020, the North American Debtors held approximately \$19.8 million in Cash in the aggregate. The Cash is maintained, in part, in various accounts maintained by the North American Debtors. ITA maintains a lockbox account and an EFT account, as well as an adequate assurance account in accordance with the order approving the Utilities Motion [Docket No. 296] (as defined below), each of which are located at SunTrust Bank. ITC has two operating accounts (one for U.S. Dollars and one for Canadian Dollars) held at the Royal Bank of Canada and a deposit account held at SunTrust Bank. ITC's deposit account was opened post-petition at the request of the United States Trustee. ITA and ITC also maintain interest bearing savings accounts with Signature Bank that were opened in January 2020. ITV does not hold any bank accounts.

As of March 31, 2020, the North American Debtors also had an accounts receivable balance totaling approximately \$22.9 million. This balance primarily corresponds to receivables due from third party customers incurred in the ordinary course of sales.

¹⁰ Certain of the North American Debtors' officers conduct operations from a rented office located in San Jose, California.

¹¹ Included as hourly employees are approximately 108 employees who are covered by various collective bargaining agreements.

(2) Cash Management System and Intercompany Loans

The North American Debtors are not party to any secured financing arrangements or any third party credit facilities, and instead have relied on the positive cash flows generated by their operations to run their businesses and fund the Chapter 11 Cases.

Prior to the Petition Date, and as further described in the First Day Declaration, ITA and ITV participated in a zero balance accounting cash management system with their non-debtor, indirect parent, Imerys USA, Inc. (“**Imerys USA**”).¹² Under such system, at the end of each business day, funds remaining in certain of ITA’s bank accounts were automatically swept to Imerys USA. The amount swept to Imerys USA less any payments made by Imerys USA on account of expenses incurred by ITA or ITV was recorded in ITA’s and Imerys USA’s books as an interest-bearing intercompany loan in favor of ITA pursuant to (i) that certain Intercompany Loan and Investment Agreement, dated as of June 2018, by and between ITA and Imerys USA (the “**ITA Loan Agreement**”) and (ii) that certain Intercompany Loan and Investment Agreement, dated as of June 2018, by and between ITV and Imerys USA (the “**ITV Loan Agreement**”) and, together with the ITA Loan Agreement, the “**Intercompany Loan Agreement**”).¹³ Prior to the Petition Date, ITA and ITV modified certain aspects of their cash management system and eliminated the practice of automatically sweeping funds to Imerys USA. As of the date hereof, (i) ITA has an outstanding loan receivable from Imerys USA in the amount of approximately \$17,000,000 (the “**ITA Loan**”) and (ii) ITV has an outstanding loan receivable from Imerys USA in the amount of approximately \$3,000,000 (the “**ITV Loan**”).

ITC operates under a separate cash management system from the other North American Debtors. Historically, excess cash generated by ITC’s operations was periodically swept to Imerys S.A. at the discretion of ITC. All transfers of cash that were made to Imerys S.A. (net of any cash transfers made from Imerys S.A. to ITC) were recorded as an intercompany interest-bearing loan on the books of Imerys S.A. and ITC pursuant to (i) that certain Intra-Group Treasury Agreement (the “**Treasury Agreement**”), by and between Imerys S.A. and certain of its subsidiaries, including the North American Debtors, and (ii) that certain Intercompany Loan and Investment Agreement by and between Imerys S.A. and ITC. As of the date hereof, ITC holds an outstanding loan due and payable from Imerys S.A. in the amount of approximately \$2,700,000 (the “**ITC Loan**”) and, together with the ITA Loan and the ITV Loan, the “**Intercompany Loan**”).

¹² A description of the Debtors’ cash management system, deposit practices, and intercompany transactions is found in *Debtors’ Motion for Orders Under 11 U.S.C. §§ 105(a), 345, 363, 503(b), and 507(a), Fed. R. Bankr. P. 6003 and 6004, and Del. Bankr. L.R. 2015-2 (I) Authorizing Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, (II) Authorizing Continuation of Existing Deposit Practices, (III) Approving the Continuation of Intercompany Transactions, and (IV) Granting Superpriority Administrative Expense Status to Certain Postpetition Intercompany Claims* [Docket No. 11] (the “**Cash Management Motion**”).

¹³ The Intercompany Loan Agreements were amended by that certain Letter Agreement, dated as of February 11, 2019.

(3) Insurance Policies, Indemnity Rights, and Settlement Agreements

The North American Debtors are insureds, or otherwise have rights to coverage, under numerous Talc Insurance Policies covering, among other things, liability for Talc Personal Injury Claims. Although the Debtors estimate that the amount of the aggregate insurance available is material, the realizable value of such coverage is subject to any number of factors, including, without limitation, the solvency of the insurers and the outcome of existing and any future coverage disputes. As further described in Article V of this Disclosure Statement, prepetition, the North American Debtors were actively pursuing claims against certain insurers for substantial insurance coverage and collections against these insurers, and were engaged in disputes with certain of their predecessors in interest regarding who has the right to access certain Talc Insurance Policies.

In addition, the Debtors believe that Talc Personal Injury Claims related to the North American Debtors' sale of talc to J&J are subject to uncapped indemnity rights against J&J under certain stock purchase and supply agreements. One or more of the North American Debtors also have the rights to the proceeds of insurance policies issued to J&J and its subsidiaries.

As of the date hereof, the North American Debtors have identified various insurance and indemnity assets, including:

- certain amounts that are collectible from an insurer on account of unpaid billings for prepetition claims;
- remaining aggregate limits under the Talc Insurance Policies with solvent insurers (not otherwise subject to a Bankruptcy Court-approved settlement agreement) having an estimated realizable value of approximately \$830 million available to pay claims covered under such agreements, which estimate excludes any estimate for anticipated recoveries on account of the coverage provided by insurers who are subject to settlement agreements;
- the right to access certain shared insurance policies issued to J&J and its subsidiaries with estimated total aggregate limits of approximately \$2 billion;
- the right to seek the proceeds of policies issued to Standard Oil (Indiana) and its subsidiaries with total aggregate limits of approximately \$1.2 billion; and
- indemnity rights in an uncapped amount against J&J.

(4) Other Assets

As of March 31, 2020, the North American Debtors also had the following core assets:

- Inventory with an approximate value of \$27.6 million. The inventory includes raw materials, finished goods, and other inventory or supplies. Raw materials represent the largest component of total inventory for ITA and ITV, totaling approximately \$12.5 million and \$1.3 million, respectively, and include, among other things, purchased crude ore and mined ore. Raw materials represent the largest component

of total inventory for ITC, totaling approximately \$3.1 million, and include, among other things, mined ore.

- Machinery, fixtures, and equipment with an approximate value of \$37.5 million.
- Mining assets with a value of approximately \$13.0 million. Mineral reserves and overburden represent approximately \$5.4 million and \$7.6 million of the mining assets, respectively. Moreover, the North American Debtors' mineral reserves are comprised of the unmined portion of the ore deposits at the North American Debtors' mines.
- Land and buildings with an approximate value of \$5.5 million (after accumulated depreciation), primarily consisting of industrial buildings and related improvements, including infrastructure, and the land under and surrounding the buildings and production facilities.

3.2 History and Business, Organizational Structure, and Assets of ITI

(a) *Corporate History*

In 1895, the Società Talco e Grafite Val Chisone (“**Società**”) was organized for the purpose of mining minerals, including talc, from the Val Chisone and Valle Germanasca valleys in the Piedmont region of Italy. In July of 1907, Talco e Grafite Val Chisone S.V.C. (“**Talco e Grafite**”) was incorporated in Pinerolo, Italy, and subsequently acquired all of the tangible and intangible assets of Società. Thereafter, on April 5, 1990, Finanziaria Minerario Industriale was organized in the Piedmont region of Italy, and on August 31, 1990, Finanziaria Minerario Industriale was merged with Talco e Grafite and renamed Talco Val Chisone S.p.A.

Talco Val Chisone S.p.A. changed its name to Luzenac Val Chisone S.p.A. after it was acquired by Rio Tinto. Then, as with the predecessor entities of the North American Debtors, Luzenac Val Chisone S.p.A. was acquired by the Imerys Group as part of the 2011 Purchase. Luzenac Val Chisone S.p.A. was then renamed Imerys Talc Italy S.p.A. ITI is a majority-owned subsidiary of Mircal Italia, which in turn is an indirect subsidiary of Imerys S.A.

(b) *ITI's Operations*

Like the North American Debtors, ITI is in the business of mining, processing, selling, and/or distributing talc to a variety of end markets. ITI's talc operations include a talc mine in Rodoretto, and a plant and office in Porte. Talc that is mined in Rodoretto is sent to the plant in Porte where it is processed, refined into various talc products, and packaged for distribution. The office in Porte houses ITI's general management administrative operations.

ITI sells its talc through internal sales channels as well as through third party distributors. Talc sold by ITI is utilized in numerous products, including, but not limited to: specialties (39%); polymers (23%); personal care (22%); paints and coatings (10%); and other (6%).¹⁴ ITI has a

¹⁴ The foregoing percentages are based on total sales in 2019.

leading market share for its products in Europe, the Middle East, and Africa. In addition, ITI also sells talc to purchasers in North America. Approximately 4% of ITI's current revenues arise from talc sales to the United States for cosmetic/personal care applications.

(c) *Existing Organizational Structure and Ongoing Businesses*

ITI continues to mine, process, and distribute talc, utilizing a core group of executives and personnel. ITI currently employs 85 full-time employees and one part-time employee. Specifically, 49 of ITI's employees are located at the Rodoretto mine, 23 are located at the Malanaggio plant, and 14 are located at the Porte office. ITI also benefits from certain shared services arrangements with Imerys S.A. and Imerys Talc Europe. Specifically, ITI pays an aggregate annual fee to Imerys Talc Europe for services related to, among other things: information systems and technology, research and application, general management and communications, industrial production, marketing, finance, human resources, health, safety and environment, and logistics. ITI also pays an annual fee to Imerys S.A. on account of certain group-level executive management, legal, and other corporate overhead services provided by Imerys S.A. to ITI. These services include, among other things: business administration, marketing and sales, legal, internal and external communications, technology, purchasing, and product safety and stewardship services.

The officers (with position) and Statutory Auditors of ITI are: Kosman Rivolti (CEO), Laura Campanini (Board of Statutory Auditors Chairman), Giorgio Monetti (Statutory Auditor), and Anna Angela De Benedittis (Statutory Auditor). In addition, the board of directors of ITI consists of Vincenzo Walter Gentile, Kosman Rivolti, and Kevin Collins.

(d) *Description of ITI's Assets*

(1) Cash, Cash Management System and Intercompany Loan

ITI has relied on the positive cash flows generated by its operations to run its business.

As of March 31, 2020, ITI held approximately \$53,000. ITI's has a pooling account located at Société Generale and an operating account located at Intesa Sanpaolo. Each of these accounts are maintained in ITI's name.

ITI has historically operated under a separate cash management system from the North American Debtors. Excess cash generated by ITI's operations is periodically swept to a bank account in the name of Imerys S.A. or Imerys Talc Europe (as applicable), at the discretion of ITI and pursuant to the Treasury Agreement and that certain SOGECASH International Pooling – Service Agreement, dated as of March 1, 1994. All transfers that are made to Imerys S.A. or Imerys Talc Europe (net of any cash transfers made from Imerys S.A. or Imerys Talc Europe to, or on behalf of, ITI) are recorded as an intercompany interest-bearing loan on the books of ITI and Imerys S.A. or Imerys Talc Europe, as applicable. As of the date hereof, ITI holds an outstanding loan receivable from Imerys S.A. in the amount of approximately \$382,000 and an outstanding loan receivable from Imerys Talc Europe in the amount of approximately \$21.4 million.

ITI also had an accounts receivable balance totaling approximately \$4,000,000 as of March 31, 2020. This balance primarily corresponds to receivables due from third party customers incurred in the ordinary course of sales.

(2) Other Assets

As of March 31, 2020, ITI maintained the following other core assets:

- Inventory with an approximate value of \$1,500,000. The inventory includes raw materials, spare parts, work in progress, and finished goods. Raw materials represent the largest component of total inventory, totaling approximately \$1,000,000, and include, among other things, crude ore, bag stops, and pallets.
- Mineral reserves with a value of approximately \$900,000. The mineral reserves represent the unmined portion of the ore deposits at the mine.
- Land and buildings with an approximate value of \$3,600,000 (after accumulated depreciation), primarily consisting of industrial buildings and related improvements, including infrastructure, and the land under and surrounding the buildings and production facilities.

3.3 Filing of the Chapter 11 Cases and Plan Discussions

(a) *Events Leading to the Chapter 11 Cases*

In June 2018, as a result of the increasing number of talc claims being asserted against the North American Debtors in the tort system and the unwillingness of the North American Debtors' insurers and indemnitors to provide coverage for the Debtors' mounting defense costs, the North American Debtors retained Latham & Watkins LLP ("**Latham**") to assist them in evaluating a number of strategic options to manage their talc-related liabilities. The North American Debtors and Latham worked with the North American Debtors' litigation defense counsel, Alston & Bird LLP ("**Alston**") and Gordon Rees Scully Mansukhani LLP, and insurance coverage counsel, Neal, Gerber & Eisenberg LLP ("**NGE**"), to identify and assess alternatives to resolve the North American Debtors' talc-related liabilities, including evaluating the costs and benefits associated with continuing to litigate talc-related claims in the tort system.

At the same time, the North American Debtors explored the viability of using a chapter 11 bankruptcy filing to address their talc liabilities by channeling them to a trust created under sections 105 and 524(g) of the Bankruptcy Code that would be structured to ensure the fair and equitable treatment of present and future claimants. As part of this exploratory effort and to facilitate the implementation of this potential chapter 11 strategy if and when authorized by their boards of directors, the North American Debtors entered into an engagement letter with James L. Patton, Jr. of Young Conaway Stargatt & Taylor, LLP ("**Young Conaway**") on September 25, 2018 to serve as a proposed future claims representative to represent the interests of individuals who may in the future assert talc-related demands against the Debtors. Mr. Patton retained Young Conaway as his legal counsel and Ankura Consulting Group, LLC ("**Ankura**") as his claims analyst to provide advice in connection with such representation. Together with his advisors,

Mr. Patton initiated an extensive diligence process into the North American Debtors' businesses and the pending talc litigation, subject to a confidentiality agreement.

The North American Debtors worked constructively with Mr. Patton and his advisors throughout the prepetition process by providing access to relevant documents and responses to numerous information requests, as well as by attending multiple in-person diligence meetings, among other things. The North American Debtors hoped to engage with plaintiffs' firms prior to the commencement of the Chapter 11 Cases to determine if a pre-arranged chapter 11 plan could be achieved. The North American Debtors did not have sufficient time, however, to conduct the diligence process that would be necessary for the parties to engage in meaningful discussions given the pending trial calendar (and risk of incurring a judgment for which the North American Debtors could not post an appeal bond) and the ever-increasing costs of settlement and defense. Nevertheless, the constructive discussions with Mr. Patton confirmed, from the Debtors' perspective, the viability of using chapter 11 to resolve the Talc Personal Injury Claims in a manner that would maximize the distributable value for all stakeholders and provide fair and equitable treatment of the Talc Personal Injury Claims.

(b) *Filing the Chapter 11 Cases, Continuation of Diligence, and Plan Discussions*

After extensive discussions with their advisors, the North American Debtors ultimately determined that, due to the increasing number of Talc Personal Injury Claims being asserted against them in the tort system and the prospect of diminishing readily accessible insurance/third party indemnitor coverage, continued litigation in the tort system was not a viable option and that the commencement of the Chapter 11 Cases was in the best interests of the North American Debtors, their Estates, and their stakeholders. Accordingly, on February 13, 2019, the North American Debtors' boards of directors authorized the filing of these Chapter 11 Cases.

Following the Petition Date, as described more fully in Article V, the FCR and the Tort Claimants' Committee were each appointed in the Chapter 11 Cases. Plan discussions between the Tort Claimants' Committee, the FCR, and the North American Debtors (and related due diligence) progressed after the bankruptcy filing. The plan discussion process included, among other things, in-person meetings and conference calls between counsel to the North American Debtors and counsel to the Tort Claimants' Committee and the FCR, written responses to information requests from counsel to the Tort Claimants' Committee and the FCR, and a comprehensive document production, wherein the North American Debtors produced, and counsel to the Tort Claimants' Committee and the FCR reviewed, documents and electronic files relating to the Debtors, their affiliates, and predecessors.

As discussions matured and the diligence process reached advanced stages, the North American Debtors, the Tort Claimants' Committee, and the FCR focused on the possibility of a comprehensive settlement involving Imerys S.A., ITI, and the other Non-Debtor Affiliates. In furtherance of such a settlement, Imerys S.A. provided certain information and documents related to diligence requests from the Tort Claimants' Committee and the FCR. Such diligence informed the parties' views on a potential contribution that could be made to the Talc Personal Injury Trust by or on behalf of Imerys in return for protection under the Channeling Injunction.

In light of the foregoing developments, Imerys S.A. and its counsel became more directly involved in the plan negotiations in the months leading up to the filing of the Plan. Representatives of the North American Debtors, the Tort Claimants' Committee, the FCR, and Imerys S.A. spent considerable time negotiating over the terms of a framework for a plan of reorganization for the Debtors that would include a chapter 11 filing for ITI. In particular, the parties focused on the funding for the Talc Personal Injury Trust via the Imerys Contribution, and the terms of the Channeling Injunction. Ultimately, the parties reached an agreement on the key terms for a proposed plan of reorganization and global settlement, which are embodied in the Plan.

(c) *ITI*

The global settlement encompassed in the Plan contemplates that ITI will file a voluntary petition for relief under chapter 11, provided that the requisite number of votes to accept the Plan are received from the holders of Talc Personal Injury Claims in Class 4. Given the potential for ITI to face increasing talc-related litigation if it remains in the tort system, ITI has determined that the commencement of a chapter 11 case in order to similarly resolve its talc-related liabilities, pending a vote to accept the Plan by holders of Claims in Class 4, is in the best interests of ITI and its stakeholders.

(d) *J&J Negotiations*

During this period, the North American Debtors also engaged in a number of confidential discussions with J&J regarding the resolution of the Talc Personal Injury Claims. These negotiations were premised on, among other things, J&J's agreement to assume the defense of litigation of the Talc Personal Injury Claims and J&J's waiver of indemnification claims against the North American Debtors. As of the date of this Disclosure Statement, although a settlement has not yet been reached, the Plan Proponents remain engaged in ongoing settlement discussions with J&J related to the Debtors' Chapter 11 Cases.

ARTICLE IV.

SUMMARY OF LIABILITIES AND RELATED INSURANCE OF THE DEBTORS

4.1 Description of Talc Personal Injury Liabilities

The Debtors' most significant liabilities are the numerous Talc Personal Injury Claims asserted against them, which are described in detail below. The Debtors maintain that their talc is safe, that the Talc Personal Injury Claims are without medical or scientific merit, and that exposure to their talc products has not caused personal injuries. The Debtors also contend that the safety of their talc has been confirmed by dozens of peer-reviewed studies and multiple regulatory and scientific bodies, including five of the largest real world studies ever conducted. The Tort Claimants' Committee and the FCR disagree with the Debtors' position, and dispute the validity of the studies relied upon by the Debtors. In support of their position, the Tort Claimants' Committee and the FCR assert, among other things, the relatively nascent development of this tort and the existence of new or better testing methodologies than those cited in the studies on which the Debtors rely.

As described in the First Day Declaration, it is the Debtors' view that they have had significant success defending against Talc Personal Injury Claims in the tort system and no final, unappealable verdict has been issued against any Debtor in any lawsuit asserting talc related claims. The Debtors assert that they have been and continue to be committed to the quality and safety of their products above all else. Nevertheless, the substantial increase in alleged talc-related claims in the last few years, combined with the current state of the U.S. tort system, has led to overwhelming projected litigation costs (net of insurance) that the Debtors were unable to sustain over the long-term, leading to the chapter 11 filings.

To be clear, though they are each Plan Proponents, neither the Tort Claimants' Committee nor the FCR accept the Debtors' position regarding the safety of their talc or the safety of any products into which talc is incorporated.

(a) *Overview*

As of the Petition Date, one or more of the Debtors were among the defendants in thousands of actions brought before various U.S. federal and state courts by multiple plaintiffs asserting Talc Personal Injury Claims. Plaintiffs have historically asserted two types of Talc Personal Injury Claims: (1) claims alleging ovarian cancer or other related gynecological diseases arising as a result of talc exposure (the "**OC Claims**") and (2) claims alleging respiratory cancers or other asbestos-related diseases arising as a result of talc exposure ("**Mesothelioma Claims**"). As of the Petition Date, there were approximately 13,800 pending lawsuits asserting OC Claims and approximately 850 pending lawsuits asserting Mesothelioma Claims against one or more of the North American Debtors. ITI has also been named as a defendant in litigation asserting Talc Personal Injury Claims. As of the date hereof, ITI has been named in eight pending lawsuits asserting Mesothelioma Claims.¹⁵

Approximately 98.6% of the pending lawsuits asserting Talc Personal Injury Claims allege injuries based on the use of cosmetic products containing talc. As described above, personal care/cosmetic sales into the United States make up approximately 5% of the North American Debtors' annual revenues and 2% of ITI's annual revenues. In addition, the Debtors historically supplied and at times were the sole supplier of, talc to J&J, and have been routinely named as a co-defendant with J&J in litigation related to the Talc Personal Injury Claims. Approximately 99.8% of the pending and closed lawsuits asserting OC Claims against the Debtors named J&J as a co-defendant, and approximately 80.1% of the pending lawsuits asserting Mesothelioma Claims against the Debtors named J&J as a co-defendant.

(b) *Proliferation of Talc Claims*

At the time of the Imerys Group's acquisition of the Debtors, there was only one OC Claim pending against ITA, which was in the early stages of litigation.¹⁶ In 2014, a significant judgment

¹⁵ All of these suits have been filed by the same firm, the Lanier Law Firm. As of the filing date of this Disclosure Statement, and in light of the potential chapter 11 filing of ITI contemplated under the proposed Plan, ITI and the plaintiffs in those suits have reached an agreement to dismiss the pending cases, without prejudice, as to ITI.

¹⁶ ITA subsequently obtained summary judgment in its favor in that case.

was rendered against J&J stemming from one of its products that was made almost entirely of cosmetic talc. Approximately 16,500 OC Claims have been filed since 2014 and, as of the Petition Date, approximately 13,800 OC Claims were pending against one or more of the Debtors.

Similarly, when the Debtors were acquired in 2011, there were only approximately seven pending Mesothelioma Claims, which were all in the early stages of litigation. As with OC Claims, however, plaintiffs began filing Mesothelioma Claims at an increasing pace in 2014, and in early 2016, one of the Mesothelioma Claims reached trial. Since 2014, approximately 1,200 Mesothelioma Claims have been filed against one or more of the Debtors, of which approximately 850 were still pending as of the Petition Date.¹⁷

(c) *OC Claims*

Plaintiffs asserting OC Claims generally allege that they have developed ovarian cancer or other related gynecological cancers as a result of their use of certain cosmetic products, primarily J&J body powders (which is comprised almost entirely of talc) for feminine hygiene purposes. Historically, plaintiffs have asserted that talc itself causes ovarian cancer and have not asserted that talc contained in the body powder was contaminated with trace amounts of asbestos. In 2017, however, some plaintiffs asserting OC Claims began to allege that their personal injuries may also have been caused by trace asbestos contamination of the talc. The Debtors dispute all of these allegations.

(d) *Mesothelioma Claims*

Plaintiffs asserting Mesothelioma Claims generally allege they have developed non-ovarian cancer personal injuries based on some form of asbestos exposure. Some of these plaintiffs assert that they were only exposed to talc that was contaminated with trace amounts of asbestos, while others allege additional non-talc exposure to asbestos. It is the Debtors' view that in many cases plaintiffs have made insufficient allegations for the Debtors to determine whether the Mesothelioma Claims are based on cosmetic talc exposure, industrial talc exposure, or both. For those pending cases where the plaintiff's exposure to talc has been identified with specificity, approximately 63% percent of plaintiffs allege exposure to asbestos through the use of cosmetics, while approximately 24% of plaintiffs allege exposure in industrial occupational settings (the approximately remaining 13% of plaintiffs allege both cosmetic and industrial exposure).

4.2 Description of Talc Insurance Coverage

(a) *Talc Insurance Coverage*

The North American Debtors have access to, and rights under, various Talc Insurance Policies with Talc Insurance Companies that cover, among other things, certain talc-related personal injury liabilities and related litigation costs (including, in certain instances, defense

¹⁷ The Debtors do not intend to seek a formal estimation of the Debtors' total liability for Talc Personal Injury Claims, but they reserve the right to seek such a formal estimation in the future.

costs).¹⁸ Specifically, one or more of the North American Debtors have the right to the proceeds of insurance policies for both the OC Claims and the Mesothelioma Claims.¹⁹ The Debtors are informed and believe that the total amount of insurance available for the OC Claims and the Mesothelioma Claims is at least \$670 million and \$160 million, respectively.²⁰

(1) Insurance Coverage Containing Asbestos Exclusions

Zurich Policies. One or more of the North American Debtors have the right to insurance coverage under at least fourteen primary liability policies issued by Zurich American Insurance Company (“**Zurich**”) to Luzenac America or the Rio Tinto group. Zurich issued four primary liability policies to Luzenac America from May 1997 to May 2001 with total aggregate limits of liability of \$20 million (the “**Luzenac Policies**”). Zurich also issued eleven primary liability policies to the Rio Tinto group from May 2001 to May 2012 with total aggregate limits of \$630 million (the “**Rio Tinto Policies**,” and together with the Luzenac Policies, the “**Zurich Policies**”). The Debtors are informed and believe that the Zurich Policies have been eroded by approximately \$17 million, resulting in remaining limits of \$633 million. Pursuant to various agreements with Zurich and the Rio Tinto group, the North American Debtors owe no further deductibles on the Zurich Policies. The Debtors are unaware of any excess policies issued to the Rio Tinto group or to the North American Debtors when owned by the Rio Tinto group. Each of the Zurich Policies contains an endorsement that purports to exclude coverage for injuries caused by exposure to asbestos.

XL Policies. One or more of the North American Debtors have the right to insurance coverage under four primary general liability policies and four umbrella policies issued by XL Insurance America, Inc. (“**XL**”) to Imerys USA and its subsidiaries. XL issued primary general liability policies for the period of January 2011 to February 2015 with total aggregate limits of \$4 million (the “**XL Primary Policies**”). XL also issued umbrella liability policies for the period of January 2011 to February 2015 with total aggregate limits of \$34 million (the “**XL Umbrella Policies**,” and together with the XL Primary Policies, the “**XL Policies**”). The Debtors are informed and believe that the XL Policies have total remaining limits of approximately \$37 million. Each of the XL Policies contains an endorsement that purports to exclude coverage for injuries caused by exposure to asbestos.

(2) Insurance Coverage Not Containing Asbestos Exclusions

As a result of the various transactions involving the talc business of Cyprus Mines (as discussed in Article V below), ITA believes it has the right to seek proceeds from insurance policies that provide coverage for liabilities arising out of the talc business of Cyprus Mines and/or

¹⁸ ITI has not identified any insurance coverage for Talc Personal Injury Claims asserted against it and has been paying the defense costs of talc-related personal injury litigation directly.

¹⁹ The payment of defense costs by certain of the Talc Insurance Companies under certain Talc Insurance Policies does not erode the limits of liability available to satisfy talc-related liabilities.

²⁰ ITA currently is involved in coverage litigation in California state court regarding the scope and amount of available coverage for Mesothelioma Claims under certain Talc Insurance Policies. This coverage dispute is further discussed below.

its affiliates or predecessors (the “**Cyprus Historical Policies**”). Specifically, the Cyprus Historical Policies consist of numerous primary, excess, and umbrella comprehensive general liability insurance policies issued, or otherwise providing coverage, to Cyprus Mines and/or its affiliates or predecessors between 1961 and 1986. The policies provide coverage for bodily injury that occurs during the respective policy periods. The Debtors are informed and believe that all of the primary liability policies that could provide coverage for asbestos-related liabilities arising out of the talc business of Cyprus Mines and/or its affiliates or predecessors have been exhausted, except four primary liability policies issued by The American Insurance Company from May 1961 to October 1964. The remaining coverage consists of umbrella and excess policies issued by various insurers from April 1962 to July 1986 with total aggregate limits of approximately \$160 million. In addition, the Debtors are informed and believe that ITA also has rights to seek the proceeds from insurance policies issued to Standard Oil (Indiana) from 1980 to 1985 with total aggregate limits of approximately \$1.2 billion. As further discussed below, the North American Debtors are presently litigating their rights to these policies in the Cyprus Adversary Proceeding (as defined below).

(b) *J&J*

J&J Insurance. One or more of the Debtors have the right to insurance coverage from various insurance policies issued to J&J and its subsidiaries with total aggregate limits of approximately \$2 billion. The Debtors presently are unaware of the total remaining and available limits of the insurance policies issued to J&J and its subsidiaries.

J&J Indemnification Obligations. One or more of the Debtors, the Protected Parties, and Imerys also have certain, uncapped indemnity rights against J&J for OC Claims and Mesothelioma Claims. For example, under that certain Agreement, between Cyprus Mines Corporation and Johnson & Johnson, dated as of January 6, 1989, J&J agreed to indemnify one or more of the Debtors for all liabilities arising out of use or exposure to talc-containing products supplied to J&J prior to the January 6, 1989 closing date. In addition, there are talc-related indemnification obligations arising under the following agreements: (i) that certain Talc Supply Agreement, between Windsor Minerals Inc. and Johnson & Johnson Baby Products Company, a division of Johnson & Johnson Consumer Products, Inc., dated as of January 6, 1989; (ii) that certain Supply Agreement between Johnson & Johnson Consumer Companies, Inc. and Luzenac America, Inc., dated as of April 15, 2001; (iii) that certain Material Purchase Agreement, between Johnson & Johnson Consumer Companies, Inc. and Luzenac America, Inc., dated as of January 1, 2010; and (iv) that certain Material Purchase Agreement, between Johnson & Johnson Consumer Companies, Inc. and Luzenac America, Inc., dated as of January 1, 2011.

While J&J has acknowledged that the indemnification obligations exist, it has contested the scope of its obligations to the Debtors and has asserted that it has claims against the Debtors for indemnity.²¹ Although neither J&J nor the Debtors have initiated litigation relating to these

²¹ See generally *Johnson & Johnson’s and Johnson & Johnson Consumer Inc.’s Motion [For] An Order Pursuant to Bankruptcy Rule 2004* [Docket No. 750]; *Memorandum of Law in Support of Johnson & Johnson’s and Johnson & Johnson Consumer Inc.’s Motion to Fix Venue for Claims Related to Imerys’s Bankruptcy Under 28 U.S.C. §§ 157(b)(5) and 1334(b)*, Civ. Action No. 19-mc-00103 (MN) (D. Del. 2019) [Docket No. 2]; *Reply Memorandum of Law in Further Support of Johnson & Johnson’s and Johnson &*

obligations, on June 6, 2019, a lawsuit was brought by National Union Fire Insurance Company of Pittsburgh, Pa. (“**National Union**”) against Johnson & Johnson Consumer Companies, Inc., Johnson & Johnson Baby Products Company, and Johnson & Johnson (collectively, the “**J&J Defendants**”) in the Superior Court of the State of Vermont, Chittenden Unit, styled as *National Union Fire Insurance Company of Pittsburgh, PA. as Subrogee of Cyprus Mines Corporation v. Johnson & Johnson Consumer Companies, Inc. et al.*, Case No. 495-6-19-CNEV (the “**Subrogation Proceeding**”). In the Subrogation Proceeding, National Union sought, among other things, to recover from the J&J Defendants, as the putative subrogee of ITA and Cyprus Mines, the amounts National Union allegedly incurred defending ITA and Cyprus Mines in various asbestos-related bodily injury product liability lawsuits. In response, on October 8, 2019, the Debtors filed a motion to enforce the automatic stay in the Bankruptcy Court in order to enjoin National Union from continuing the Subrogation Proceeding (the “**Motion to Enforce**”) [Docket No. 1117]. Prior to the filing of the Motion to Enforce, the J&J Defendants also filed an answer to National Union’s complaint in the Subrogation Proceeding. On October 18, 2019, shortly after the North American Debtors filed the Motion to Enforce, National Union agreed to dismiss the Subrogation Proceeding without prejudice, and the Debtors withdrew the Motion to Enforce.

J&J Removal Attempt. In addition to the foregoing, on April 18, 2019, Johnson & Johnson and Johnson & Johnson Consumer Inc. (collectively, the “**J&J Removal Parties**”) commenced a civil action in the U.S. District Court for the District of Delaware (the “**District Court**”) and moved to fix venue in the District Court for all pending talc-related personal injury and wrongful death claims (the “**Venue Motion**”).²² The Venue Motion sought to transfer the 2,400 lawsuits under 28 U.S.C. §§ 157(b)(5) and 1334(b), which authorize the federal district court in which a bankruptcy case is pending to hear claims “related to” a debtor’s bankruptcy case. Contemporaneously with that filing, the J&J Removal Parties began filing notices of removal in state court actions in order to remove such actions to federal court where they would be subject to transfer under the Venue Motion. On May 3, 2019, the J&J Removal Parties filed a motion in the Bankruptcy Court to extend the deadline to file such notices of removal in state court actions [Docket No. 486]. On June 27, 2019, the Bankruptcy Court granted the J&J Removal Parties’ request to extend the removal deadline [Docket No. 755].

Numerous parties, including the Tort Claimants’ Committee, the FCR, and a myriad of plaintiffs’ personal injury counsel around the country, filed oppositions in response to the J&J Removal Parties’ Venue Motion in the District Court.²³ On July 19, 2019, the District Court denied the J&J Removal Parties’ Venue Motion,²⁴ finding that (i) any potential indemnification obligations the Debtors owed to the J&J Removal Parties were not clearly established or vested at the onset and could not serve as a basis for jurisdiction, and (ii) the J&J Removal Parties did not

Johnson Consumer Inc.’s Motion to Fix Venue for Claims Related to Imerys’s Bankruptcy Under 28 U.S.C. §§ 157(b)(5) and 1334(b), Civ. Action No. 19-mc-00103 (MN) (D. Del. 2019) [Docket No. 81].

²² *Johnson & Johnson and Johnson & Johnson Consumer Inc.’s Motion to Fix Venue for Claims Related to Imerys’s Bankruptcy Under 28 U.S.C. §§ 157(b)(5) and 1334(b)*, Civ. Action No. 19-mc-00103 (MN) (D. Del. 2019) [Docket No. 1].

²³ See Civ. Action No. 19-mc-00103 (MN) (D. Del. 2019) [Docket Nos. 37, 45, 46, 48, 49, 50, 53, 55, 56, 57, and 58].

²⁴ See *Memorandum Opinion*, Civ. Action No. 19-mc-00103 (MN) (D. Del. 2019) [Docket No. 96].

submit clear evidence demonstrating how the pending lawsuits would implicate or impact the North American Debtors' Estates. Upon entry of the order, the District Court closed the civil case.²⁵

(c) *Status of Insurance Assets*

(1) Prepetition Claims Cost Receivables

Prior to and after the Petition Date, the North American Debtors (or their counsel and vendors) sent regular billings to various insurers for reimbursement of costs and expenses paid by the Debtors prior to the Petition Date on account of Talc Personal Injury Claims ("**Prepetition Claims Cost Receivables**"). As of the date of this Disclosure Statement, the Debtors are in the process of reconciling the amounts to be collected in respect of unpaid Prepetition Claims Cost Receivables.

(2) Insurance Settlement Agreements and Coverage Disputes

The Bankruptcy Court approved two post-petition settlement agreements by and between the North American Debtors and certain Talc Insurance Companies ("**Insurance Settlement Agreements**"). The Insurance Settlement Agreements provide for payments to certain of the North American Debtors' defense counsel and their vendors and experts (as applicable under the respective agreements) for prepetition claims in the aggregate amount of \$9,695,159.20. The Insurance Settlement Agreements are described in Article V of this Disclosure Statement.

The North American Debtors are also party to coverage disputes with certain Talc Insurance Companies, the Rio Tinto group, and Cyprus (as defined below), which are further described in Article V of this Disclosure Statement. As discussed herein, these disputes may impact the North American Debtors' ability to utilize certain insurance proceeds, which will reduce the value of total assets available to holders of Talc Personal Injury Claims. Past experience indicates that certain insurers that entered into the Talc Insurance Policies may still raise objections, contract issues, and otherwise dispute their obligation to pay claims in the future. The North American Debtors are attempting to determine the existence, nature, and scope of any such disputes and, if possible and as appropriate, resolve certain disputes before the Effective Date through negotiation and/or litigation.

4.3 Description of Non-Talc Liabilities of the Debtors

(a) *Claims Filed Against or Scheduled By the North American Debtors*

The North American Debtors believe that they were generally current on their known prepetition trade payables as of the Petition Date. In addition, the North American Debtors are not party to any secured financing arrangements, they did not seek debtor-in-possession financing during the Chapter 11 Cases, and they do not have outstanding public debt.

²⁵ See Order, Civ. Action No. 19-mc-00103 (MN) (D. Del. 2019) [Docket No. 97].

As described in Article V of this Disclosure Statement, on July 25, 2019, the Bankruptcy Court entered the General Bar Date Order (as defined below), establishing October 15, 2019 as the General Bar Date (as defined below). The General Bar Date did not apply to “Talc Claims” (as defined in the General Bar Date Order). On November 22, 2019, the Bankruptcy Court entered an order establishing January 9, 2019 as the Indirect Talc Claim Bar Date (as defined below), which solely applied to Indirect Talc Claims (as defined below).

The Non-Talc Claims filed against the North American Debtors include, without limitation, (i) trade claims; (ii) employee/pension claims; (iii) intercompany claims (asserted by Non-Debtor Affiliates); (iv) claims for professional fees that are not Fee Claims; (v) tax claims; (vi) insurance claims; and (vii) surety bond claims. In addition, numerous Non-Talc Claims were included in the North American Debtors’ Schedules (as defined below). The scheduled claims fall into categories, including, but not limited to, contract claims, customer claims, trade claims, and intercompany claims.

The Debtors continue to review and analyze the proofs of claim filed to date, and reconcile these proofs of claim with the North American Debtors’ scheduled claims. To this end, the Debtors or the Reorganized Debtors, as applicable, have filed and will file objections and seek stipulations with respect to certain Claims. Moreover, certain parties may attempt to file additional Claims notwithstanding the passage of the General Bar Date and the Indirect Talc Claim Bar Date and seek allowance of such Claims by the Bankruptcy Court. In addition, certain existing Claims may be amended to seek increased amounts. Accordingly, the Debtors do not presently know and cannot reasonably determine the actual number and aggregate amount of the Claims that will ultimately be Allowed against the North American Debtors.

(b) *Claims Against and Equity Interests in ITI*

As contemplated by the Plan, all holders of Equity Interests in and Claims against ITI other than holders of Talc Personal Injury Claims will be Unimpaired (in other words, unaffected) by ITI’s reorganization process. Generally, this means that all other holders of Claims against ITI will be paid in full in the ordinary course of business or otherwise permitted to pass through the reorganization process without their rights being affected. Similarly, the rights of holders of Equity Interests in ITI will be left unaltered by the implementation of the Plan.

ARTICLE V.

EVENTS DURING THE CHAPTER 11 CASES

The following is a general description of the major events occurring during the course of these Chapter 11 Cases. Because ITI has not filed for bankruptcy protection, the following discussion and the use of the term “Debtors” does not apply to ITI.

5.1 Commencement of the Chapter 11 Cases and First Day Motions

The Debtors have continued to operate their businesses and manage their affairs as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code since the commencement of the Chapter 11 Cases on February 13, 2019.

On the Petition Date, the Debtors filed a number of motions seeking typical “first-day” relief in chapter 11 cases (the “**First Day Motions**”). The Debtors’ stated purpose of the First Day Motions was to ensure that the Debtors were able to transition into the chapter 11 process and maintain their operations in the ordinary course so as to function smoothly while their cases were progressing.

The First Day Motions sought authority to: (i) pay prepetition wages and other benefits to employees; (ii) pay prepetition insurance obligations and maintain post-petition insurance coverage; (iii) pay prepetition claims of critical vendors, foreign vendors, and certain lienholders; (iv) approve certain notice procedures for holders of Talc Personal Injury Claims; (v) authorize ITC to act as foreign representative of the Debtors in any judicial or other proceeding in Canada; (vi) pay prepetition taxes and fees; (vii) continue use of the existing cash management system and bank accounts and waive the requirements of section 345 of the Bankruptcy Code; (viii) retain a claims agent to assist in the Chapter 11 Cases; (ix) honor prepetition obligations to customers under certain customer programs; (x) prohibit utility companies from altering or discontinuing service on account of prepetition invoices (the “**Utilities Motion**”); and (xi) enforce the protections of the automatic stay. A description of the First Day Motions is set forth in the First Day Declaration.

On the Petition Date, the Bankruptcy Court entered an order jointly administering the Debtors’ Chapter 11 Cases. The Debtors have not sought substantive consolidation of their respective Estates and no substantive consolidation is sought in the Plan.

5.2 Commencement of Canadian Proceeding

The Chapter 11 Cases have been recognized in Canada in a proceeding commenced before the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) pursuant to the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the “**CCAA**”). Recognition of the Chapter 11 Cases was sought to provide for a stay of proceedings against the Debtors, to keep Canadian creditors informed regarding the Chapter 11 Cases, and to seek to bind Canadian creditors to orders issued in the Chapter 11 Cases for which recognition is sought in Canada. Recognition of the Chapter 11 Cases was sought and obtained from the Canadian Court on February 20, 2019.²⁶

The orders issued by the Canadian Court on February 20, 2019, April 3, 2019, May 24, 2019, August 7, 2019, October 28, 2019, December 3, 2019, and April 1, 2020, among other things, (i) recognized the Chapter 11 Cases as “foreign main proceedings” under the CCAA; (ii) stayed all existing proceedings against the Debtors in Canada; (iii) appointed Richter Advisory Group Inc. as information officer (the “**Information Officer**”) to report to the Canadian Court, creditors, and other stakeholders in Canada on the status of the Chapter 11 Cases; (iv) recognized certain interim and final orders (as applicable) entered by the Bankruptcy Court permitting the Debtors to, among other things, continue operating their respective businesses during the course of the Chapter 11 Cases, employ certain professionals, establish the General Bar Date and the Indirect Talc Claim Bar Date, and make payments pursuant to their key employee retention plan;

²⁶ *Initial Recognition Order (Foreign Main Proceeding)*, Ct. File No. CV-19-614614-00 CL (Can. Ont. Sup. Ct. J. Feb. 20, 2019).

(v) recognized certain orders entered by the Bankruptcy Court approving the retention of the FCR and various professionals employed by the Debtors, the Tort Claimants’ Committee, and the FCR; and (vi) recognized the Bankruptcy Court’s order approving the ITC Stipulation (as defined below).

5.3 Appointment of the Tort Claimants’ Committee

On March 5, 2019, the Office of the United States Trustee appointed the Tort Claimants’ Committee in the Chapter 11 Cases. Those individuals comprising the Tort Claimants’ Committee are (listed with the law firm representing each member):

Committee Member	Law Firm / Attorney
Robin Alander	The Lanier Law Firm
Nolan Zimmerman, as representative of the estate of Donna M. Arvelo	Levy Konigsberg LLP
Christine Birch	The Gori Law Firm
Bessie Dorsey-Davis	Burns Charest LLP
Lloyd Fadem, as representative of the estate of Margaret Ferrell	Baron & Budd, P.C.
Timothy R. Faltus, as representative of the estate of Shari C. Faltus	OnderLaw, LLC
Deborah Giannecchini	Beasley, Allen, Crow, Methvin, Portis & Miles, P.C.
Kayla Martinez	Simon Greenstone Panatier, P.C.
Lynne Martz	Ashcraft & Gerel, LLP
Nicole Matteo	Cohen, Placitella & Roth, P.C.
Charvette Monroe, as representative of the estate of Margie Evans	The Barnes Law Group, LLC

The Tort Claimants’ Committee retained Robinson & Cole LLP as lead counsel and Willkie Farr & Gallagher LLP in the role of special litigation and corporate counsel. The Tort Claimants’ Committee has also retained Gilbert LLP, as special insurance counsel, Analysis Systems, Inc., as tort liability consultant, Ducera Partners LLC and Ducera Securities LLC (together “**Ducera**”), as investment banker, and GlassRatner Advisory & Capital Group, LLC, as financial advisor.

5.4 Appointment of the Legal Representative for Future Claimants

On June 3, 2019, the Bankruptcy Court entered an order appointing Mr. James L. Patton, Jr. as legal representative for future talc personal injury claimants in the Chapter 11 Cases. The FCR has retained the law firm of Young Conaway, as counsel, Ankura, as claims evaluation and

financial valuation consultants, and, has co-retained with the Tort Claimants' Committee, Gilbert LLP as special insurance counsel and Ducera, as investment banker.

On June 18, 2019, certain of the Debtors' insurers (the "Certain Excess Insurers")²⁷ appealed Mr. Patton's appointment as the FCR (the "FCR Appeal"). The FCR Appeal is pending before the Delaware District Court in the cases styled as *In re: Imerys Talc America, Inc.*, Civ. A. Nos. 19-00944, 19-01120, 19-01121 and 19-01122 (MN) (D. Del.). On August 2, 2019, the District Court entered an order approving a briefing schedule, which was subsequently amended on August 22, 2019.²⁸ The Certain Excess Insurers' opening brief was filed on October 16, 2019.²⁹ On December 16, 2019, the Debtors and the FCR filed their responsive briefs, which were joined by the Tort Claimants' Committee.³⁰ On December 20, 2019, the parties to the FCR Appeal met and conferred regarding extending the Certain Excess Insurers' time to file a reply brief.³¹ On January 7, 2020, the District Court approved a stipulation extending the Certain Excess Insurers' time to file a reply brief, and on February 14, 2020, the Certain Excess Insurers filed their reply brief [Docket No. 29]. Oral argument has been requested by the Debtors and the FCR, but as of the date of this Disclosure Statement the District Court has not ruled on that request.

5.5 Retention of Debtors' Professionals

The Debtors retained (i) Latham, as the Debtors' bankruptcy co-counsel; (ii) Richards, Layton & Finger, P.A., as the Debtors' bankruptcy co-counsel; (iii) Stikeman Elliott LLP, as Canadian counsel to the Debtors; (iv) Alvarez & Marsal North America, LLC, as financial advisor to the Debtors; (v) NGE, as special insurance coverage and indemnification counsel to the Debtors; (vi) KCIC, LLC, as insurance and valuation consultant to the Debtors; (vii) Prime Clerk LLC, as

²⁷ The Certain Excess Insurers include: Columbia Casualty Company, Continental Casualty Company, the Continental Insurance Company, as successor to CNA Casualty of California and as successor in interest to certain insurance policies issued by Harbor Insurance Company, Lamorak Insurance Company (formerly known as OneBeacon America Insurance Company), as successor to Employers' Surplus Lines Insurance Company, Stonewall Insurance Company (now known as Berkshire Hathaway Specialty Insurance Company), and National Union, to the extent that they issued policies to Cyprus Mines Corporate prior to 1981. In certain instances Lexington Insurance Company and National Union are not included as Certain Excess Insurers.

²⁸ *Order Adopting Report and Recommendations*, Civ. A. No. 19-00944 (D. Del. August 2, 2019) [Docket No. 11].

²⁹ *Appellants' Certain Excess Insurers' Opening Brief on Appeal From a Bankruptcy Court Order Appointing James Patton of Young Conaway as Future Claimants' Representative*, Civ. A. No. 19-00944 (D. Del. Oct. 16, 2019) [Docket No. 14].

³⁰ *Brief of Appellees Imerys Talc America, Inc., Imerys Talc Vermont, Inc., and Imerys Talc Canada, Inc.* [Docket No. 22]; *Joinder and Response Brief of Appellee James L. Patton, Jr. in His Capacity as the Future Claimants' Representative* [Docket No. 24]; *Joinder of the Official Committee of Tort Claimants in the Briefs Filed By Each of: (I) Appellees Imerys Talc America, Inc., Imerys Talc Vermont, Inc., and Imerys Talc Canada, Inc.; and (II) Appellee James L. Patton Jr., in His Capacity as the Future Claimants' Representative* [Docket No. 25], Civ. A. No. 19-00944 (D. Del. Dec. 16, 2019).

³¹ *Appellants' Certain Excess Insurers' Reply Brief on Appeal From a Bankruptcy Court Order Appointing James Patton of Young Conaway as Future Claimants' Representative*, Civ. A. No. 19-00944 (D. Del. Feb. 14, 2019) [Docket No. 29].

claims and noticing agent and administrative advisor; and (viii) PJT Partners LP (“**PJT**”), as the Debtors’ investment banker. The Bankruptcy Court has also authorized the Debtors to engage other law firms and professionals in the ordinary course of business.

5.6 Administrative Matters in the Chapter 11 Cases

(a) *Exclusive Periods for the Debtors to Propose and Solicit Plan Acceptance*

The Debtors sought and obtained three unopposed extensions of the periods during which they may exclusively propose and solicit acceptances of a chapter 11 plan beyond the initial 120-day and 180-day periods for plan proposal and solicitation set forth in section 1121 of the Bankruptcy Code. The first order was entered on June 25, 2019 [Docket No. 744], the second order was entered on September 18, 2019 [Docket No. 1051], and the third order was entered on December 26, 2019 [Docket No. 1371].

On March 6, 2020, the Debtors filed a fourth motion to extend the period during which they may exclusively propose a plan of reorganization and the solicitation period for acceptances of such a plan [Docket No. 1534] (the “**Fourth Exclusivity Motion**”). On March 20, 2020, J&J filed an objection to the Fourth Exclusivity Motion [Docket No. 1563], which J&J subsequently withdrew on May 1, 2020 [Docket No. 1689]. On May 5, 2020, the Court entered an order granting the relief requested in the Fourth Exclusivity Motion, extending the period during which the Debtors may propose a plan of reorganization through and including June 5, 2020, and extending the solicitation period for acceptances of such a plan through and including August 7, 2020 [Docket No. 1694]. The Debtors may seek further extensions of the exclusive periods subject to the limits imposed in the Bankruptcy Code.

(b) *Assumption of Unexpired Leases*

The Debtors sought and obtained an unopposed extension of the period within which they were required to assume or reject unexpired leases of non-residential real property beyond the initial statutory 120-day period through and including September 11, 2019 [Docket No. 687]. On August 7, 2019, the Debtors filed a motion to assume certain unexpired leases of non-residential real property [Docket No. 931]. The Bankruptcy Court entered an order approving the assumption of these unexpired leases of non-residential real property on August 16, 2019 [Docket No. 974] and the unexpired leases were deemed to be assumed by the Debtors as of September 10, 2019.

(c) *Extension of Period to Remove Claims*

The Debtors have sought and obtained three unopposed extensions of the deadline by which they may file notices of removal under Bankruptcy Rules 9006(b) and 9027(a). The first order was entered on March 19 2019 [Docket No. 254], the second order was entered on September 18, 2019 [Docket No. 1050], and the third order was entered on January 22, 2020 [Docket No. 1447]. Most recently, the Bankruptcy Court extended the period during which the Debtors may remove civil actions through and including May 8, 2020.

On May 7, 2020 the Debtors filed a motion to further extend the deadline by which they may file notices of removal from May 8, 2020 to September 4, 2020 [Docket No. 1703].

(d) *Filing of Schedules of Assets and Liabilities and Statements of Financial Affairs*

On March 19, 2019, the Bankruptcy Court entered an order extending the deadline by which the Debtors must file their Schedules with the Bankruptcy Court [Docket No. 253]. In accordance with that order and pursuant to Bankruptcy Rule 1007 and Rule 1007-1(b) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), the Debtors filed their Schedules on April 12, 2019 [Docket Nos. 362, 363, 365, 366, 367 & 368] and filed certain amendments to the Schedules on May 20, 2019 [Docket No. 577, 578 & 579]. The Schedules provide summaries of the assets held by each of the Debtors as of the Petition Date, as well as a listing of the secured, unsecured priority, and unsecured non-priority claims pending against each of the Debtors during the period prior to the Petition Date, based upon the Debtors’ books and records. The Schedules also provide information concerning the Debtors’ financial affairs during the period prior to the Petition Date. A description of the scheduled liabilities is provided in Article IV of this Disclosure Statement.

In addition, on (i) July 8, 2019 the Debtors filed the *Debtors’ First Notice of Claims Satisfied in Full* [Docket No. 781] and (ii) February 28, 2020 the Debtors filed the *Debtors’ Second Notice of Claims Satisfied in Full* [Docket No. 1510], pursuant to which the Debtors identified certain scheduled Claims that have been satisfied by the Debtors in full after the Petition Date in accordance with the relief requested in various of the First Day Motions. All scheduled Claims identified as “satisfied” were designated as such on the register of claims maintained by the Claims Agent.

(e) *Establishment of Bar Dates*

The Bankruptcy Court entered an order on July 25, 2019 [Docket No. 881] (the “**General Bar Date Order**”) establishing October 15, 2019 as the last date by which claimants could assert any Claims against the Debtors (the “**General Bar Date**”), other than “Talc Claims”³² and certain

³² As used in the General Bar Date Order, the term “Talc Claim” means any claim (as defined in section 101(5) of the Bankruptcy Code) and any future claims or Demands (as that term is defined in section 524(g) of the Bankruptcy Code), whether known or unknown, including with respect to bodily injury, death, sickness, disease, emotional distress, fear of cancer, medical monitoring or other personal injuries (whether physical, emotional or otherwise), for which the Debtors are alleged to be liable, directly or indirectly, arising out of or relating to the presence of or exposure to talc or talc-containing products, including, without limitation: (a) any products previously manufactured, sold and/or distributed by any predecessors to the Debtors; (b) any materials present at any premises owned, leased, occupied or operated by any entity for whose products, acts, omissions, business or operations the Debtors have, or are alleged to have, liability; or (c) any talc alleged to contain asbestos or other contaminants. Talc Claims include all such claims, whether: (a) in tort, contract, warranty, restitution, conspiracy, contribution, indemnity, guarantee, subrogation or any other theory of law, equity or admiralty; (b) seeking compensatory, special, economic, non-economic, punitive, exemplary, administrative or any other costs or damages; or (c) seeking any legal, equitable or other relief of any kind whatsoever, including, for the avoidance of doubt, any such claims assertable against one or more Debtors by Cyprus Mines Corporation, Cyprus Amax Minerals Company, and/or any of their affiliates in these Chapter 11 Cases. Talc Claims also include any such claims that have been resolved or are subject to resolution pursuant to any agreement, or any such claims that are based on a judgment or verdict. Talc Claims do not include (a) any claim of an insurer with respect to amounts allegedly due under any insurance policies, including policies that might have provided coverage for Talc

other Claims explicitly excluded in the General Bar Date Order. The General Bar Date Order also set bar dates for any Claims resulting from any future rejections by the Debtors of executory contracts and unexpired leases.

On November 22, 2019, the Bankruptcy Court entered an order [Docket No. 1260] (the “**Indirect Talc Claim Bar Date Order**”) establishing January 9, 2019 (the “**Indirect Talc Claim Bar Date**”) as the last date by which claimants could assert any “Indirect Talc Claims.”³³ The Indirect Talc Claim Bar Date Order does not apply to holders of Talc Claims, other than holders of Indirect Talc Claims.

(f) *Claims Objections*

On February 28, 2020, the Debtors filed the *Debtors’ First Omnibus (Non-Substantive) Objection to Amended Claims and Duplicative Claims* [Docket No. 1509] (the “**First Claim Objection**”), pursuant to which the Debtors sought to disallow, expunge, and/or modify certain amended or duplicative claims. Certain objections in the First Claim Objection were withdrawn on March 26, 2020 [Docket No. 1579]. An order granting the relief sought in the First Claim Objection was entered by the Bankruptcy Court on April 8, 2020 [Docket No. 1611].

(g) *ITC Stipulation*

Over the course of the Chapter 11 Cases, the Debtors have incurred and continue to incur professional fees and expenses related to the administration of the Chapter 11 Cases, including the fees and expenses of professionals retained by the Tort Claimants’ Committee and the FCR. For purposes of administrative convenience only, ITA, on behalf of itself and the other Debtors, has paid, and continues to pay these professional fees as they become due. ITA has asserted certain

Claims, or (b) any claim by any present or former employee of a predecessor or affiliate (as defined in section 101(2) of the Bankruptcy Code) of the Debtors for benefits under a policy of workers’ compensation insurance or for benefits under any state or federal workers’ compensation statute or other statute providing compensation to an employee from an employer. For the avoidance of doubt, the definition equally applied to foreign creditors.

³³ As used in the Indirect Talc Claim Bar Date Order, an “Indirect Talc Claim” is any Talc Claim of any corporation (as defined in section 101(9) of the Bankruptcy Code), co-defendant of a Debtor, or predecessor of a Debtor (each, a “**Claimant**”) for contribution, reimbursement, subrogation, or indemnity, whether contractual or implied by law (as those terms are defined by applicable non-bankruptcy law of the relevant jurisdiction), and any other derivative Talc Claim of a Claimant, whether in the nature of or sounding in contract, tort, warranty, or other theory of law. For the avoidance of doubt, an Indirect Talc Claim shall not include any claim for or otherwise relating to death, injury, or damages caused by talc or a product or material containing talc that is asserted by or on behalf of any injured individual, the estate, legal counsel, relative, assignee, or other representative of any injured individual, or an individual who claims injury or damages as a result of the injury or death of another individual regardless of whether such claim is seeking compensatory, special, economic, non-economic, punitive, exemplary, administrative, or any other costs or damages, or any legal, equitable or other relief whatsoever, including pursuant to a settlement, judgment, or verdict. By way of illustration and not limitation, an Indirect Talc Claim shall not include any claim for loss of consortium, loss of companionship, services and society, or wrongful death.

claims and rights to reimbursement as against its co-debtor, ITC, on account of administrative expenses incurred by the Debtors' estates.

On March 26, 2020, the Bankruptcy Court approved a stipulation (the "**ITC Stipulation**") among ITA, ITC, and the Information Officer [Docket No. 1578]. Pursuant to the ITC Stipulation, ITA, ITC, and the Information Officer agreed to the following: (i) ITC shall pay ITA the sum of \$3,450,000 (USD) as an initial payment on account of administrative expenses paid by ITA through February 28, 2020 and (ii) upon request from ITA, to the extent that ITC holds sufficient funds and with the consent of the Information Officer, ITC is authorized and directed to pay ITA on a periodic basis for (a) 33.33% of the fees incurred by professionals retained by the FCR and (b) 26.5% of fees incurred by professionals retained by the Tort Claimants' Committee by ITA after February 28, 2020. Pursuant to the stipulation, on account of these payments ITC has been granted claims with superpriority administrative expense status against ITA; *provided* that in the event the proposed Plan is confirmed, such superpriority claims shall be deemed satisfied in full without any payment required from ITA. Under the ITC Stipulation, ITA, ITC and the Information Officer have reserved all rights as to ITC's obligations to reimburse ITA on account of its payment of administrative expense claims.

5.7 Litigation, Adversary Proceeding, Coverage Disputes, and Mediation

(a) *The Cyprus Adversary Proceeding*

On March 7, 2019, the Debtors initiated an adversary proceeding against Cyprus Mines and Cyprus Amax Minerals Company ("**CAMC**," and together with Cyprus Mines, "**Cyprus**"), captioned *Imerys Talc America, Inc., et al. v. Cyprus Amax Minerals Company and Cyprus Mines Corporation*, Adv. Pro. No. 19-50115 [Adv. Pro. Docket No. 1] (the "**Cyprus Adversary Proceeding**"). The issue to be decided in the Cyprus Adversary Proceeding is whether, after Cyprus Mines sold, assigned, and transferred all of its talc assets in 1992, Cyprus retained any right to the proceeds of, or any right to assert claims under, the Cyprus Historical Policies for lawsuits alleging injuries resulting from exposure to talc or products containing talc mined, distributed, sold and/or supplied by Cyprus Mines prior to June 5, 1992. Ultimately, the Debtors are seeking a declaration that Cyprus no longer has any right to the proceeds of, or to pursue claims under, the Cyprus Historical Policies with respect to talc-related lawsuits.

The Debtors' property rights in the proceeds of the Cyprus Historical Policies stem from that certain Agreement of Transfer and Assumption (as amended the "**ATA**"), dated June 5, 1992, by and between Cyprus Mines and CTC. The Debtors contend that pursuant to the ATA, Cyprus Mines sold, transferred, and assigned all of its interest in assets, properties, and rights of every type relating to Cyprus Mines' talc business to CTC, which included all rights to seek the proceeds of, and pursue claims under, the Cyprus Historical Policies.³⁴

³⁴ Leading up to the ATA, Cyprus Mines and its subsidiaries acquired the stock or assets of other talc companies. In 1989, Cyprus Mines purchased 100% of the stock of Windsor from J&J. In 1992, pursuant to the ATA, Cyprus Mines and its affiliates transferred such stock and all of the other assets in their then existing talc business to a newly formed subsidiary, CTC, resulting in Windsor becoming a wholly owned subsidiary of CTC. Contemporaneously with the consummation of the ATA, RTZ America, Inc. (later

Prior to the initiation of the Cyprus Adversary Proceeding, on February 28, 2019, Cyprus filed the *Emergency Motion for (i) Interim and Final Orders Granting Relief from the Automatic Stay under Bankruptcy Code § 362(d) to Use Insurance Coverage under Cyprus Historical Policies or, in the Alternative, (ii) Adequate Protection Under Bankruptcy Code §§ 361 and 363(e)* [Docket No. 104]. Following hearings on the motion and briefs filed by the Debtors and other parties in interest, Cyprus and the Debtors agreed to limited stay relief during the pendency of the Cyprus Adversary Proceeding. On March 26, 2019, the Bankruptcy Court entered an order permitting Cyprus to use the Cyprus Historical Policies to defend and indemnify Cyprus in certain asbestos-related lawsuits in which any Cyprus entity is a defendant, and to tender any new asbestos-related lawsuits to insurers under the Cyprus Historical Policies [Docket No. 309]. The Debtors reserved their rights to assert claims against Cyprus, and any Cyprus-related entity that obtained the benefit of the Cyprus Historical Policies during the pendency of the Cyprus Adversary Proceeding.

Discovery in the Cyprus Adversary Proceeding closed at the end of January 2020, and the Cyprus Adversary Proceeding was scheduled to go to trial on March 25 and March 27, 2020. However, in February 2020, prior to submitting summary judgment and opening trial briefs, the parties to the Cyprus Adversary Proceeding agreed to engage in mediation.

As a result, the Cyprus Adversary Proceeding (including all remaining hearings and trial dates) were removed from the Bankruptcy Court's calendar and the proceeding was stayed pending conclusion of the mediation. Pursuant to the *Third Amended Scheduling Order and Order Appointing Mediator* [Adv. Pro. Docket No. 183] (the "**Scheduling Order**"), during this period, the parties agreed that they could continue to discuss and address with the Bankruptcy Court, among other things, (i) certain documents produced by Cyprus to which the Debtors objected, (ii) re-opening certain depositions to address newly produced documents, and (iii) the stipulation of facts between the parties. To the extent the mediation is not successful, the Scheduling Order also provides that Cyprus and the Debtors will work together to negotiate and file with the Bankruptcy Court an amended scheduling order.

The parties held an initial mediation session before mediator Lawrence W. Pollack on March 3, 2020, and are in discussions regarding additional mediation sessions.

(b) *Rio Tinto Mediation*

As discussed in greater detail above, the Debtors have coverage under the Zurich Policies, which are comprised of the Luzenac Policies and the Rio Tinto Policies. Historically, Zurich has declined to defend the Mesothelioma Claims on the basis of exclusions in the policies for asbestos-related claims, but has accepted the Debtors' tender of the defense of OC Claims.³⁵

known as Rio Tinto) purchased 100% of the stock of CTC from Cyprus Mines pursuant to that certain Stock Purchase Agreement dated June 5, 1992, by and between RTZ America, Inc., Cyprus Mines, and Cyprus Minerals Company. CTC subsequently changed its name to Luzenac America.

³⁵ See *Rio Tinto's Opposition to Certain Excess Insurers' Motion for Relief from Stay and Conditional Cross-Motion for Relief from Stay to Permit Rio Tinto to Pursue Cross-Claims* [Docket No. 505].

The Debtors, Rio Tinto, Zurich, the FCR, the Tort Claimants' Committee, and Mircal (together, the "**Rio Tinto Mediation Parties**") agreed to enter into non-binding mediation in an attempt to reach a resolution regarding certain issues related to the Zurich Policies, including (i) the amount of coverage the Debtors are entitled to under the Zurich Policies for OC Claims; (ii) the value of certain indemnification rights; and (iii) Rio Tinto's own talc-related liability. On December 26, 2019, the Bankruptcy Court entered an order appointing Lawrence W. Pollack to serve as mediator [Docket No. 1370]. Initial mediation sessions took place on January 28 and January 29, 2020. The Rio Tinto Mediation Parties have discussed holding a further mediation session, but as of the date of this Disclosure Statement no date is currently contemplated.

(c) *California Coverage Action and Insurers' Relief from Stay Motion*

On August 24, 2017, the Certain Excess Insurers initiated the lawsuit styled as *Columbia Cas. Co., et al. v. Cyprus Mines Corp., et al.*, No. CGC-17-560919 in the California Superior Court, County of San Francisco (the "**California Coverage Action**"). The second amended complaint filed by the Certain Excess Insurers on July 27, 2018, seeks a determination as to which of various competing corporate entities (including ITA) (collectively, the "**Corporate Entities**") have rights to the Cyprus Historical Policies. The Certain Excess Insurers are also seeking determinations as to whether there are any obligations with respect to talc bodily injury claims that remain, the existence and extent of the Certain Excess Insurers' contribution rights against certain other insurers, and the resolution of certain discrete coverage issues under certain of the Cyprus Historical Policies.

ITA is a named defendant in all but two of the ten causes of action asserted by the Certain Excess Insurers in their second amended complaint. Three of the causes of action address which entity or entities have coverage rights under the Cyprus Historical Policies. The other causes of action concern the amount of coverage available under the Cyprus Historical Policies. The Debtors contend that (i) ITA has the right to seek the proceeds of, and pursue coverage under, the Cyprus Historical Policies and (ii) the amounts due under the Cyprus Historical Policies are assets of their Estates.³⁶

On November 20, 2017, the Certain Excess Insurers agreed to extend the time for the Corporate Entities to respond to the first amended complaint to December 1, 2017. A partial stay was agreed to by the Certain Excess Insurers and the Corporate Entities whereby none of the Corporate Entities were permitted to propound discovery requests on any of the Certain Excess

³⁶ Certain other insurers, including Ace Property and Casualty Company ("**Central National**") and Unigard Insurance Company ("**Unigard**"), were named as defendants in the California Coverage Action. For instance, the Certain Excess Insurers pursued equitable contribution and subrogation claims against Central National and Unigard. On June 18, 2018, the Certain Excess Insurers filed a motion for summary adjudication against Central National and Unigard seeking a ruling that each insurer was obligated to participate in defense and indemnity upon exhaustion of primary policies. Unigard also filed a cross-complaint against Cyprus and ITA, but agreed to extend the time for ITA to respond through February 19, 2019. In light of the bankruptcy filing, ITA has not responded to Unigard's cross-complaint, which seeks, among other things, damages from ITA for an alleged breach of a settlement agreement. There is no current date for the hearing on the Certain Excess Insurers' motion for summary adjudication against Unigard, and the court in the California Coverage Action summarily denied the Certain Excess Insurers' motion for summary adjudication against Central National as premature.

Insurers and the Certain Excess Insurers were precluded from seeking discovery from insurer-defendants relating to underlying lawsuits, Cyprus Mines' talc supply history, and Cyprus Mines' corporate transaction history. The stay was extended through July 20, 2018. On July 27, 2018, the Certain Excess Insurers filed their second amended complaint, and on August 16, 2018, the Certain Excess Insurers agreed to further extend the stay, which was ultimately extended through February 11, 2019.

During the partial stay, ITA did not respond to the second amended complaint, did not participate in formal discovery, and did not engage in motion practice. Despite the partial stay, one or more of the Certain Excess Insurers continued to defend and settle various talc lawsuits on behalf of ITA subject to a reservation of rights. One or more of the Certain Excess Insurers also defended and settled certain talc lawsuits on behalf of ITA notwithstanding the fact that the Certain Excess Insurers agreed not to pursue the claims asserted in the California Coverage Action. Moreover, while the parties to the California Coverage Action did resolve certain issues, this was done through negotiations without court involvement.³⁷

On April 19, 2019, the Certain Excess Insurers filed the *Certain Excess Insurers' Motion for Relief from the Automatic Stay to Permit the California Coverage Action to Proceed and Order of Abstention* [Docket No. 390] (the "**Insurers' Relief from Stay Motion**") pursuant to which the Certain Excess Insurers sought relief from the automatic stay to permit the California Coverage Action to proceed.³⁸ The Certain Excess Insurers also moved for the Bankruptcy Court to abstain from interpreting the Cyprus Historical Policies in the Cyprus Adversary Proceeding.³⁹ The Debtors and certain other parties in interest filed oppositions to the Insurers' Relief from Stay Motion on grounds that it is unclear whether Cyprus has any rights to the proceeds of, or any ability to pursue any claims under, the Cyprus Historical Policies for certain talc-related lawsuits until the Cyprus Adversary Proceeding is fully and finally decided. The Debtors primarily argued that lifting the stay would be an unnecessary waste of judicial and Estate resources, and could lead to the risk of inconsistent (and preclusive) judgments that would flow from the concurrent litigation of the Cyprus Adversary Proceeding and the California Coverage Action. On June 28, 2019, the Bankruptcy Court entered an order denying the Insurers' Relief from Stay Motion [Docket No. 762]. As of the date hereof, the California Coverage Action remains subject to the automatic stay.

³⁷ ITA also filed a cross-complaint in the California Coverage Action, seeking a finding that certain cross-defendant insurers are obligated to defend ITA, or reimburse ITA for defense expenses, and indemnify ITA in connection with certain lawsuits seeking damages for personal injury caused by exposure to asbestos or asbestiform minerals in talc and talc-containing products mined, delivered, or supplied by Cyprus Mines.

³⁸ National Union and Lexington Insurance Company were not listed as Certain Excess Insurers in the Insurers' Relief from Stay Motion, however, they were included as Certain Excess Insurers in the Certain Excess Insurers' reply brief.

³⁹ Central National Insurance Company of Omaha (for policies issued through Cravens Dargan & Co., Pacific Coast) and Providence Washington Insurance Company (as successor in interest to Seaton Insurance Company, successor in interest to Unigard Mutual Insurance Company) filed joinders in support of the motion [Docket Nos. 411 and 512].

(d) *J&J Relief from Stay Motion*

On March 27, 2020, J&J filed the *Motion Pursuant to 11 U.S.C. § 362(d)(1), Fed. R. Bankr. P. 4001, and Local Bankruptcy Rule 4001-1 for Entry of Order Modifying Automatic Stay to Permit J&J to Send Notice Assuming Defense of Certain Talc Claims and to Implement Talc Litigation Protocol* [Docket No. 1567] (the “**J&J Stay Motion**”). Pursuant to the J&J Stay Motion, J&J is seeking to modify the automatic stay to (i) permit holders of certain talc-related claims based on the alleged use of J&J products prior to January 1, 2020 that have not reached a final resolution (“**J&J Talc Claims**”) to pursue those claims against the Debtors, (ii) permit J&J to send notices of assumption of the defense of all J&J Talc Claims, and (iii) take certain other actions set forth in the Talc Litigation Protocol (as defined in the J&J Stay Motion) to assume the defense of and indemnify the Debtors for the J&J Talc Claims. As of the date of this Disclosure Statement, the hearing to consider the motion is set for June 2, 2020.

(e) *Talc-Related Litigation*

(1) Consolidation of Talc Litigation in District Court and *Daubert* Hearings

On October 4, 2016, the U.S. Judicial Panel on Multidistrict Litigation (the “**MDL Panel**”) ordered that pending and future personal injury or wrongful death actions in federal courts alleging that plaintiffs or their decedents developed ovarian or uterine cancer from the use of J&J’s talcum powder products⁴⁰ be transferred and centralized in the U.S. District Court for the District of New Jersey, Trenton Division (the “**MDL Proceeding**”). In addition to individual actions pending in federal district courts around the country, two consumer class actions alleging that J&J’s talcum powder products were marketed for use without disclosure of talc’s alleged carcinogenic properties were included in the MDL Proceeding.

The MDL Panel assigned U.S. District Judge Freda Wolfson as presiding judge for the MDL Proceeding. Judge Wolfson designated U.S. Magistrate Judge Lois Goodman to assist her in the MDL Proceeding. The cases were consolidated to (1) reduce or eliminate duplicative discovery, (2) prevent inconsistent pretrial rulings on discovery and privilege issues, (3) prevent inconsistent rulings on *Daubert* motion practice, and (4) conserve the resources of the parties, their counsel, and the federal judiciary in these actions. Additionally, there are common factual issues in these cases related to the alleged risk of cancer posed by talc and talc-based body powders, whether the defendants knew or should have known of this alleged risk, and whether defendants provided adequate instructions and warnings with respect to these products. As of May 1, 2020, approximately 15,390 such actions involving 16,440 plaintiffs were pending in the MDL in the U.S. District Court of New Jersey. Although the MDL Proceeding has been stayed as to ITA following the Petition Date, the MDL Proceeding is ongoing with respect to J&J and other defendants.

After creation of the MDL Proceeding and its assignment to Judge Wolfson, she ordered a hearing at which all parties could present their summary views of the medical and scientific issues related to the MDL Proceeding, as well as evidence as to whether talc-based body powder products could cause or contribute to ovarian and uterine cancer. That hearing was held on January 26,

⁴⁰ The specific J&J products involved are J&J’s Baby Powder and Shower to Shower body powder.

2017. Judge Wolfson subsequently ordered full briefing by the parties on the threshold *Daubert* issue of whether reliable and sufficient scientific and medical evidence exists on the issue of causation. Judge Wolfson set an evidentiary hearing on that issue that ran from July 22 to July 31, 2019, with plaintiffs presenting five witnesses and J&J presenting three witnesses. At the conclusion of the hearing, the Judge requested final *Daubert* briefing from all parties which was submitted on October 7, 2019. On April 27, 2020, Judge Wolfson rendered her *Daubert* decision on the opinions offered by these witnesses, granting in part and denying in part J&J's motion to exclude opinions of plaintiffs' five witnesses and denying plaintiffs' motion to exclude the opinions of J&J's three experts. Judge Wolfson ordered the parties to confer within 45 days of her order and raise any issues with respect to specific experts who were not covered by the opinion and order. Moreover, as of the date of this Disclosure Statement, the parties remaining in the MDL Proceeding are working on a schedule and plan on how to move the cases forward as a result of the *Daubert* opinion.

(2) Consolidation of State Court Talc Litigation

Other OC Claim cases are pending in several state courts across the country. In New Jersey, the Supreme Court designated such cases as Multi-County Litigation for centralized management by the Superior Court of New Jersey Law Division: Atlantic County. Following a hearing on the admissibility of plaintiffs' experts' causation opinions, on September 2, 2016, the Superior Court ruled in favor of J&J and ITA, excluded plaintiffs' general causation experts, and granted summary judgment to the defendants in the first two bellwether cases set for trial. Plaintiffs' appeal of those rulings to the Appellate Division, although stayed as to Debtor ITA, is pending as to J&J.

In California state court, all cases related to OC Claims have been consolidated for pretrial purposes in Judicial Council Coordination Proceedings in the Superior Court for Los Angeles County. Before the first bellwether trial in 2017, ITA obtained summary judgment in its favor. After a plaintiff's verdict against J&J in the first bellwether trial in that proceeding, the trial court granted judgment notwithstanding the verdict and a motion for new trial, which were appealed in November 2017. In July 2019, those rulings were affirmed in part and reversed and remanded to the trial court in part. As to ITA, the plaintiff's appeal of the summary judgment in favor of ITA was stayed with the filing of the Chapter 11 Cases.

Other cases related to OC Claims have been tried in Missouri and Georgia state courts. Five cases in which verdicts were rendered against J&J in Missouri state court have been reversed on appeal, and others are currently pending appeal. The first trial in Georgia state court resulted in a hung jury and has not yet been retried. All cases are stayed as to ITA, however they continue to move forward as to J&J and the other defendants. Approximately 150 additional cases are pending in courts of various other states around the country, including Arizona, Delaware, Florida, Illinois, Louisiana, Pennsylvania, Rhode Island, and Virginia.

(3) Appeals

Lanzo Appeal

On or about December 23, 2016, the Lanzo Movants (as defined below) filed an action in the Superior Court of New Jersey, Law Division, Middlesex County (the “NJ State Court”) against ITA for products liability resulting in personal injury in connection with the use of talcum powder, including a claim for punitive damages. On April 5 and April 11, 2018, a jury returned a verdict in favor of the Lanzo Movants for compensatory damages in the amount of \$11,468,884.93 and punitive damages in the amount of \$25,000,000.00, respectively. On April 23, 2019, the NJ State Court entered a judgment in favor of the Lanzo Movants in the amount of \$36,468,884.93, including interest (the “Lanzo Judgment”).

On April 25, 2018, ITA appealed the Lanzo Judgment (the “Lanzo Appeal”) to the Superior Court of New Jersey, Appellate Division (the “NJ Appellate Court”). Moreover, on or about May 22, 2018, ITA posted a supersedeas bond issued by Aspen (as defined below) in the amount of \$39,204,051.36 (the “Lanzo Appeal Bond”). In its opening brief, ITA alleged that it is entitled to a new trial due to prejudicial evidentiary and instructional errors, including the introduction of unreliable expert testimony and a prejudicial alternative-causation instruction. In addition to a new trial, ITA sought vacatur of the punitive damages award.

Upon commencement of the Chapter 11 Cases, the Lanzo Appeal was stayed, and the NJ Appellate Court entered an order dismissing the Lanzo Appeal without prejudice. Following approval of the Lanzo Stipulation (as defined below), the automatic stay was modified to permit the Lanzo Appeal to proceed to final resolution. Thereafter, in July 2019, the Lanzo Appeal was reinstated, and on October 2, 2019, ITA filed its reply brief. As of the date of this Disclosure Statement, the Lanzo Movants and ITA are awaiting oral argument on the issues raised in the appeal.

Booker Appeal

On or about December 9, 2015, the Booker Movants (as defined below) filed an action in the Superior Court of California, County of Alameda (the “CA State Court”) against ITA for negligence and strict product liability in connection with exposure to talc, including a claim for punitive damages. On November 27 and December 11, 2017, a jury returned a verdict in favor of the Booker Movants for compensatory damages in the amount of \$6,852,000.00 and punitive damages in the amount of \$4,600,000.00, respectively. On December 14, 2017, the CA State Court entered a judgment in favor of the Booker Movants in the amount of \$11,723,196.2, including \$271,196.26 in costs (the “Booker Judgment”).

On March 7, 2018, ITA appealed the Booker Judgment in the Court of Appeal of the State of California, First Appellate District, Division 3, seeking complete reversal or reversal and remand of the Booker Judgment for failure to establish exposure/causation, errors in the verdict form, and erroneous successor liability. Separately, on April 2, 2018, ITA brought a second appeal to challenge the award of costs with respect to the Booker Judgment (collectively, the “Booker Appeals”) and, together with the Lanzo Appeal, the “Appeals”). In connection with the Booker Appeals, ITA posted a supersedeas bond issued by Aspen in the amount of \$17,584,794.39

(the “**Booker Appeal Bond**”). The Booker Appeal Bond is in an amount greater than the face amount of the Booker Judgment to account for post-judgment interest.

Although the Booker Appeals were stayed when the Chapter 11 Cases were filed, following approval of the Booker Stipulation (as defined below) the automatic stay was modified to permit the Booker Appeals to proceed to final judgment. On December 2, 2019, the Booker Movants filed their response to the appellants’ opening brief. On May 11, 2020, ITA filed its reply brief, and as of the date of this Disclosure Statement a date for oral argument has not been scheduled.

(f) *English Arbitration*

As of the date of this Disclosure Statement, ITA is a named defendant in an arbitration proceeding pending in London, in which a claimant is seeking contribution from ITA for damage sustained to the claimant’s vessel while transporting certain goods prior to the Petition Date. ITA’s defense costs, including any related liability arising from this arbitration proceeding, are expected to be paid in full by a third party insurer/guarantor.

5.8 Material Settlements and Resolutions

(a) *Insurance Settlements*

National Union, Columbia Casualty Company, Continental Casualty Company, The Continental Insurance Company, Lamorak Insurance Company, Lexington Insurance Company, and Berkshire Hathaway Specialty Insurance Company (collectively, “**RMI**”), ITA, Cyprus, Rawle & Henderson LLP (“**Rawle**”), Dentons US LLP (“**Dentons**”), and Alston, entered into a settlement (the “**RMI Settlement**”) that was approved by the Bankruptcy Court on December 13, 2019 [Docket No. 1326]. Pursuant to the RMI Settlement, RMI agreed to pay certain of the Debtors’ defense counsel, vendors, and experts an amount of \$7,203,714 to satisfy certain prepetition and post-petition defense costs for legal work and other professional services provided in connection with the defense of ITA and/or Cyprus in talc-related litigation. The parties agreed to mutual releases related to prepetition defense costs.

In connection with the RMI Settlement, ITA and Alston also entered into a separate agreement that was approved by the Bankruptcy Court on December 17, 2019 [Docket No. 1339] (the “**Alston Settlement**”). Pursuant to the Alston Settlement, the Debtors permitted Alston to draw down a portion of a retainer from the Debtors in satisfaction of monies owed to Alston but not fully paid under the RMI Settlement. In exchange, Alston agreed to release any claim to the remaining portion of the retainer and refund the remainder of the retainer, totaling \$844,745.60, to Debtor ITA.

In addition, ITA, Rawle, Dentons, Alston, and Truck Insurance Exchange (“**Truck**”) entered into a settlement (the “**Truck Settlement**”) that was approved by the Bankruptcy Court on September 18, 2019 [Docket No. 1052] related to Truck’s obligations under a primary general liability insurance policy. Pursuant to the Truck Settlement, Truck agreed to pay a total of \$2,491,445.20 to certain of the Debtors’ defense counsel and vendors and experts. The parties agreed to mutual releases of prepetition defense costs.

(b) *Stipulations Permitting Certain Appeals of Judgments on Account of Certain Talc Personal Injury Claims to Proceed to Final Resolution*

On May 6, 2019, Stephen Lanzo, III and Kendra Lanzo (the “**Lanzo Movants**”) and Cheryl Booker, individually and as successor-in-interest to Richard Booker, *et al.* (the “**Booker Movants**”), each filed motions for relief from the automatic stay to permit the Appeals to proceed to final resolution, and, if successful, to permit the Lanzo Movants and the Booker Movants to execute and collect on the Lanzo Appeal Bond and the Booker Appeal Bond, as applicable [Docket No. 493 & 491].

On June 13, 2019, the Debtors and Aspen entered into stipulations with each of the Lanzo Movants (the “**Lanzo Stipulation**”) and the Booker Movants (the “**Booker Stipulation**” and, together with the Lanzo Stipulation, the “**Stay Stipulations**”) to lift the automatic stay as to the Appeals. The Stay Stipulations were approved by the Bankruptcy Court on June 27, 2019 [Docket Nos. 757 & 756].

The Stay Stipulations consensually resolved the aforementioned relief from stay motions, and permitted the Appeals to proceed subject to the conditions set forth therein. In addition, Aspen agreed to (i) bear sole responsibility for any and all fees and expenses incurred by ITA and its professionals pertaining to the Appeals and (ii) waive any claim for amounts paid on account of such fees. Moreover, Aspen waived any claim for amounts paid on account of punitive damages in connection with the Lanzo Judgment and the Booker Judgment.

5.9 Anticipated Developments Regarding ITI Before Confirmation

As discussed above, the Debtors anticipate that, if the Plan receives the requisite acceptances pursuant to each of sections 1126(c) and 524(g) of the Bankruptcy Code, ITI will file a voluntary petition for relief under chapter 11 of the Bankruptcy Code. This Section describes key aspects of the contemplated chapter 11 process with respect to ITI.

The Debtors anticipate that ITI’s reorganization will have a minimal effect on ITI and the North American Debtors’ business operations. As discussed herein, the only holders of Claims against ITI that will be Impaired are holders of Talc Personal Injury Claims in Class 4.

(a) *First-Day Motions and Related Relief*

ITI’s reason for filing chapter 11 is to address its talc-related liabilities. To ensure a smooth transition into chapter 11 and in furtherance of this goal, ITI will file a number of motions with the Bankruptcy Court on the commencement date of its restructuring proceedings, including:

- an “all trade” motion requesting authorization to honor prepetition trade-related claims and obligations in the ordinary course of business;
- a motion to ensure continued access to its prepetition cash management system;
- a motion requesting that certain of the orders previously entered in the Chapter 11 Cases be made applicable to ITI (including, without limitation, orders: (i) authorizing payment of prepetition insurance obligations and the ability to maintain post-petition

- insurance coverage; (ii) authorizing payment of prepetition taxes and fees; (iii) authorizing employment of professionals utilized in the ordinary course of business; (iv) authorizing the retention of the North American Debtors' professionals; (v) establishing procedures for interim compensation and reimbursement of professionals; (vi) approving this Disclosure Statement; and (vii) extending the period to remove claims);
- a motion seeking authority to have its chapter 11 case jointly administered with those of the North American Debtors for procedural purposes only under case number 19-10289 (LSS); and
 - a motion seeking authority to waive certain obligations to (i) file schedules and a statement of financial affairs, (ii) appoint an unsecured creditors' committee, (iii) file a list of ITI's twenty largest unsecured creditors, and (iv) convene a section 341 meeting of creditors.

For the avoidance of doubt, the interests of holders of Claims against ITI (except for Talc Personal Injury Claims and Non-Debtor Intercompany Claims) are Unimpaired under the Plan. Accordingly, ITI does not anticipate filing schedules and a statement of financial affairs, and will petition the Bankruptcy Court for waiver of such requirements.

(b) *Anticipated Plan Process*

The Debtors are not presently seeking approval of this Disclosure Statement as to ITI, because at this time ITI is not a Debtor in the Chapter 11 Cases. However, upon Bankruptcy Court approval of this Disclosure Statement, the Debtors intend to solicit votes to accept or reject the Plan with respect to holders of Claims in Class 4 against ITI. Additionally, and although ITI is not yet a Debtor in the Chapter 11 Cases, the key dates with respect to solicitation of votes to accept or reject the Plan as to ITI are the same as the dates set forth in the Solicitation Order and described in Article X of this Disclosure Statement entitled "*Voting Procedures and Requirements.*"

The Debtors anticipate that ITI will commence its bankruptcy proceeding in advance of the Confirmation Hearing and will, at or before the Confirmation Hearing, seek an order by the Bankruptcy Court approving this Disclosure Statement as it applies to holders of Talc Personal Injury Claims against ITI pursuant to section 1125 of the Bankruptcy Code.

In the event the Bankruptcy Court approves this Disclosure Statement as to ITI, holders of Claims in Class 4 vote in the requisite numbers necessary to approve the Plan, and the Bankruptcy Court subsequently confirms the Plan, the Confirmation Order will apply to ITI as well. Subject to the terms and conditions set forth in the Plan and described throughout this Disclosure Statement, ITI will then emerge from bankruptcy protection contemporaneously with the other Debtors.

ARTICLE VI.

THE IMERYS SETTLEMENT AND SALE OF THE NORTH AMERICAN DEBTORS' ASSETS

6.1 The Imerys Settlement

The Plan incorporates a global settlement that is the product of extensive negotiations and discussions among the Plan Proponents providing for the treatment of Talc Personal Injury Claims in a manner that is consistent with the Bankruptcy Code. The Imerys Settlement is the product of months of intensive, arms'-length negotiations and is the lynchpin of the Plan, paving the way for a consensual resolution of these Chapter 11 Cases. The Imerys Settlement, by way of the Imerys Contribution, secures a recovery for the benefit of the Debtors' creditors, additional valuable assets that will be provided to the Talc Personal Injury Trust, and a possibility for additional cash recovery by virtue of a potential sale of the North American Debtors' assets.

(a) *Overview of the Imerys Settlement*

The Imerys Settlement provides, among other things, (i) funding to the Talc Personal Injury Trust in the form of the Imerys Settlement Funds and (ii) additional funding to the Debtors in the form of the Imerys Cash Contribution to support their reorganization efforts in this phase of the Chapter 11 Cases.⁴¹ Moreover, the Imerys Settlement provides the Talc Personal Injury Trust with additional, non-Cash consideration, including, but not limited to, the release of certain claims held by Imerys, and the transfer of certain insurance rights to the Talc Personal Injury Trust, all as set forth in the Plan. In exchange, and as described in Article XII of the Plan, the Plan provides releases to the Imerys Protected Parties (the "**Imerys Releases**"), as well as a permanent channeling injunction that bars the pursuit of Talc Personal Injury Claims against the Imerys Protected Parties. All Talc Personal Injury Claims will be channeled to and resolved by the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Agreement and the Trust Distribution Procedures.

As further described below, the Imerys Settlement also contemplates that the North American Debtors will initiate a sale process in pursuit of a sale of substantially all of the assets of the North American Debtors⁴² under section 363 of the Bankruptcy Code. The net proceeds from the Sale will be used to fund the Talc Personal Injury Trust as described in the Plan.

Finally, in order to implement the Imerys Settlement and effectuate the Plan, upon the Effective Date (i) the equity interests in ITI will be reinstated and (ii) the equity interests in each of the North American Debtors will be canceled and the equity interests in each of the Reorganized North American Debtors will be issued to the Talc Personal Injury Trust. The Talc PI Note will also be issued to the Talc Personal Injury Trust, which, pursuant to the Talc PI Pledge Agreement,

⁴¹ Any portions of the Imerys Cash Contribution not used by the Debtors or applied to the Reserves (pursuant to the limits established in the Plan) will revert to Talc Personal Injury Trust, subject to the limitations contained in the Plan.

⁴² For the avoidance of doubt, the Sale does not include the sale of ITI's assets.

will be secured by a majority of the voting equity interests of Reorganized ITI following the Effective Date.

The Imerys Settlement resolves all outstanding disputes and claims between the Debtors, their Estates, Imerys, the Tort Claimants' Committee, and the FCR. While the key terms of the Imerys Settlement are summarized in this Disclosure Statement, you should read the Plan for a complete understanding of the terms and conditions of the Imerys Settlement.

(b) *Imerys Releases and Disbursement of the Imerys Contribution*

In exchange for the Imerys Contribution, Imerys S.A. requires confirmation of the Plan and entry of a Confirmation Order by the Bankruptcy Court and affirmed by the District Court that provides the Imerys Protected Parties with the protection of the Channeling Injunction pursuant to sections 524(g) and 105(a) of the Bankruptcy Code, the Imerys Releases, and the Supplemental Settlement Injunction Order. Each is described in further detail in the Plan.

- Imerys' Contribution on Behalf of the Protected Parties

Upon the satisfaction, or waiver by the Plan Proponents in writing, of all conditions precedent to the disbursement of the Imerys Contribution in the Plan, the Imerys Contribution, shall be distributed by Imerys pursuant to the terms of the Plan.

- Section 524(g) and 105(a) Injunction in Favor of the Imerys Protected Parties

The Channeling Injunction shall permanently and completely enjoin any person or entity from asserting in any way a Talc Personal Injury Claim against the Protected Parties. All claims against the Protected Parties subject to the Channeling Injunction shall be channeled to, and paid by, the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures.

Each of the Imerys Protected Parties is included as a "Protected Party" as that term is defined in the Plan. Accordingly, the Imerys Protected Parties shall receive the benefit of the Channeling Injunction in accordance with sections 524(g) and 105(a) of the Bankruptcy Code.

- Releases in Favor of the Imerys Protected Parties

The Plan contemplates certain releases in favor of the Imerys Protected Parties to be provided by (i) the Debtors and the Reorganized Debtors, on their own behalf and as representatives of their respective Estates, (ii) the Tort Claimants' Committee and the FCR, on their own behalf, and (iii) the Releasing Claim Holders. Such releases are further described in Article VII of this Disclosure Statement.

- Supplemental Settlement Injunction Order

In connection with the implementation of the Imerys Settlement, the Plan includes the Supplemental Settlement Injunction Order, pursuant to which all Persons that have held or asserted, that hold or assert, or that may in the future hold or assert any Imerys Released Claims directly or indirectly against the Imerys Protected Parties (or any of them) shall be permanently stayed, restrained, and enjoined from pursuing now, or at any time in the future, any Imerys

Released Claims. The Supplemental Settlement Injunction Order is further described in Article VII of this Disclosure Statement.

6.2 Sale of North American Debtors’ Assets

(a) *Sale of Assets*

The Plan contemplates that the Debtors will undertake a sale and marketing process of the North American Debtors’ assets in accordance with section 363 of the Bankruptcy Code. Contemporaneously herewith, the North American Debtors filed the Sale Motion, seeking a Bankruptcy Court order (i) authorizing and approving bidding procedures for the sale of all or substantially all of the North American Debtors’ assets; (ii) establishing procedures for the assumption and assignment of certain executory contracts and unexpired leases; (iii) establishing procedures in connection with the selection of a Stalking Horse Bidder (as defined in the Sale Motion), if any, and related protections; and (iv) approving the sale of assets free and clear of all Interests (as defined in the Sale Motion) pursuant to an asset purchase agreement.

As more fully described in the Sale Motion, in November 2019, the North American Debtors engaged PJT as their investment banker to assist the North American Debtors with their evaluation of a potential sale of all or a portion of their assets. Following their engagement, PJT’s professionals have worked closely with the North American Debtors’ management, boards of directors, and other advisors to assist the North American Debtors in: (i) preparing marketing materials in conjunction with a sale and (ii) defining the terms, conditions, and impact of any sale. With the filing of the Sale Motion, PJT intends to commence a process to identify potential purchasers and pursue potential transactions for the North American Debtors.

A proposed timeline of certain key dates related to the sale process are as follows:

Key Proposed Auction and Sale-Related Dates⁴³

Event	Proposed Date
Deadline to serve Bidding Procedures Order on Transaction Notice Parties	Within three (3) calendar days of entry of Bidding Procedures Order
Indication of Interest Deadline	July 10, 2020 at 4:00 p.m. (prevailing Eastern Time)
Deadline to select Potential Bidders	July 17, 2020 at 4:00 p.m. (prevailing Eastern Time)
Deadline to select Stalking Horse Bidder, if any	August 28, 2020 at 4:00 p.m. (prevailing Eastern Time)

⁴³ These dates and deadlines are subject to approval by the Bankruptcy Court. Capitalized terms used in this summary and not otherwise defined herein shall have the meaning ascribed to them in the Sale Motion.

Event	Proposed Date
Stalking Horse Objection Deadline, if any Stalking Horse Notice is filed	Within seven (7) calendar days from the filing of a Stalking Horse Notice
Bid Deadline	September 24, 2020 at 4:00 p.m. (prevailing Eastern Time)
Auction (if necessary)	September 29, 2020 at 10:00 a.m. (prevailing Eastern Time)
Deadline to file and serve notice of the Successful Bidder and amount of the Successful Bid	12:00 p.m. (prevailing Eastern Time) the calendar day after the Auction is completed
Sale Objection Deadline	October 7, 2020 at 4:00 p.m. (prevailing Eastern Time)
Sale Hearing	October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)
Hearing in Canadian Proceeding to recognize the Sale Order	Within fourteen (14) Business Days from entry of the Sale Order

The North American Debtors have determined that a sale of substantially all of their assets, in conjunction with the implementation of the Imerys Settlement, to one or more buyer(s) will maximize the value of their Estates and result in more funds available for holders of Talc Personal Injury Claims. Based on communications with PJT, the North American Debtors are optimistic that they will receive competitive bids for their assets. The North American Debtors are seeking the relief requested in the Sale Motion to ensure that they have the necessary flexibility to run a value-maximizing sale process. For the avoidance of doubt, Imerys S.A. and its Non-Debtor Affiliates are not prohibited from participating in the Sale, but will not be designated as stalking horse bidders or entitled to any bid protections.

(b) *Sale Proceeds and Purchase Price Enhancement*

The Plan contemplates that 100% of the Sale Proceeds (as defined in the Plan), will be contributed to the Trust. In addition, and as part of the Imerys Settlement, Imerys S.A. has agreed to contribute certain additional amounts of up to \$102.5 million, contingent on the value of the Sale Proceeds (the “**Purchase Price Enhancement**”). The Purchase Price Enhancement will work as follows: (i) if the Sale Proceeds are \$30 million or less, Imerys S.A. will contribute \$102.5 million to the Talc Personal Injury Trust as a purchase price enhancement; (ii) for every dollar of Sale Proceeds between \$30 million and \$60 million, the purchase price enhancement shall be reduced by \$0.50; and (iii) for every dollar of Sale Proceeds in excess of \$60 million, the purchase price enhancement shall be reduced by \$0.70.

ARTICLE VII.

THE PLAN OF REORGANIZATION

The confirmation of a plan of reorganization is the principal objective of a chapter 11 case. A plan of reorganization sets forth the means for treating claims against, and equity interests in, a debtor. Confirmation of a plan of reorganization by a bankruptcy court makes it binding on the debtor, any person or entity acquiring property under the plan, and any creditor of, or equity interest holder in, the debtor, whether or not such creditor or equity interest holder has accepted the plan or received or retains any property under the plan. Subject to certain limited exceptions and other than as provided in a plan itself or in a confirmation order, a confirmation order discharges the debtor from any debt that arose prior to the date of confirmation of the plan of reorganization.

This Section of this Disclosure Statement summarizes certain relevant provisions of the Plan. This Section is intentionally not a recitation of the entirety of the Plan, a copy of which is attached hereto as Exhibit A.

For additional information regarding the Plan not discussed in this Section, please refer to the following select Plan provisions:

Topic	Plan Provision
Treatment of Executory Contracts and Unexpired Leases	Article V
Distributions Under the Plan on Account of Claims	Article VI
Resolution of Disputed Claims Other than Talc Personal Injury Claims	Article VII
Acceptance or Rejection of Plan; Effect of Rejection by One or More Classes of Claims or Equity Interests	Article VIII
Effect of Confirmation	Article XI
Reservation of Rights	Section 12.5
Disallowed Claims and Disallowed Equity Interests	Section 12.6
No Successor Liability	Section 12.8
Corporate Indemnities	Section 12.9
Jurisdiction of Bankruptcy Court	Article XIII
Miscellaneous Provisions	Article XIV

THE FOLLOWING SUMMARY HIGHLIGHTS CERTAIN OF THE SUBSTANTIVE PROVISIONS OF THE PLAN, AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE DESCRIPTION OR A SUBSTITUTE FOR A FULL AND COMPLETE REVIEW OF THE PLAN. THE PLAN PROPONENTS URGE ALL HOLDERS OF CLAIMS OR EQUITY INTERESTS TO READ AND STUDY CAREFULLY THE PLAN, A COPY OF WHICH IS ATTACHED AS EXHIBIT A TO THIS DISCLOSURE STATEMENT.

7.1 Treatment of Administrative Claims, Fee Claims, and Priority Tax Claims

(a) *Administrative Claims*

(1) Allowed Administrative Claims

Holders of Allowed Administrative Claims (other than Fee Claims, which are governed by Section 2.3 of the Plan) shall receive Cash equal to the unpaid portion of such Allowed Administrative Claims on the Distribution Date, in full satisfaction, settlement, release, and discharge of and in exchange for such Claims, or such amounts and on such other terms as may be agreed to by the holders of such Claims and the Debtors or the Reorganized Debtors, as the case may be; *provided, however*, that Allowed Administrative Claims representing liabilities incurred on or after the Petition Date in the ordinary course of business by any of the Debtors shall be paid by the Debtors or the Reorganized Debtors, as the case may be, in accordance with the terms and conditions of the particular transactions relating to such liabilities and any agreements relating thereto. All Allowed Administrative Claims (other than Fee Claims) shall be paid from funds held in the Administrative Claim Reserve which shall be funded from Cash on hand and/or the Imerys Cash Contribution (excluding the Unsecured Claim Contribution). The Reorganized Debtors will be entitled to transfer excess funds from the Fee Claim Reserve (after all Allowed Fee Claims have been satisfied in full) and the Reorganized North American Debtor Cash Reserve (excluding all funds attributable to the Unsecured Claim Contribution) to the Administrative Claim Reserve as they deem necessary or appropriate, on notice to the FCR and the Tort Claimants' Committee, to enable them to satisfy their obligations pursuant to the Plan.

(2) Administrative Claims Bar Date

Except as otherwise provided in Article II of the Plan, requests for payment of Administrative Claims (other than Fee Claims and Claims against the North American Debtors arising under section 503(b)(9) of the Bankruptcy Code), must be filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than sixty (60) days after the Effective Date. Holders of Administrative Claims that are required to, but do not, file and serve a request for payment of such Administrative Claims by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against, as applicable, the Debtors or the Reorganized Debtors, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be filed and served on the Reorganized Debtors and the requesting party, as applicable, no later than ninety (90) days after the Effective Date, unless otherwise authorized by the Bankruptcy Rules or Bankruptcy Court. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order,

including all Administrative Claims expressly Allowed under the Plan. For the avoidance of doubt and in accordance with, and furtherance of, the terms of the ITC Stipulated Order, any ITC Stipulated Claim shall be (i) automatically disallowed upon entry of the Confirmation Order and (ii) deemed discharged upon the Effective Date, without any further action required.

(3) Disputed Administrative Claims

If a Disputed Administrative Claim is thereafter Allowed in whole or in part, the Disbursing Agent shall (at such time as determined to be practicable by the Reorganized Debtors) distribute from the Administrative Claim Reserve, to the holder of such Administrative Claim, the Cash that such holder would have received on account of such Claim if such Administrative Claim had been an Allowed Administrative Claim on the Effective Date. When (i) all Disputed Administrative Claims against the Reorganized Debtors have been resolved and (ii) Distributions required to be made by the Reorganized Debtors pursuant to Section 2.1 and Section 2.3 of the Plan have been made, all Cash remaining in the Administrative Claim Reserve shall be disbursed to the Talc Personal Injury Trust, *except* that any Cash remaining in the Administrative Claim Reserve after all Allowed Administrative Claims have been satisfied pursuant to Section 2.1 of the Plan and all Allowed Fee Claims have been satisfied pursuant to Section 2.3 that is attributable to the Contingent Contribution, shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A.

(b) *Allowed Priority Tax Claims*

On the Distribution Date, holders of Allowed Priority Tax Claims shall receive Cash equal to the amount of such Allowed Priority Tax Claims, in full satisfaction, settlement, release, and discharge of and in exchange for such Claims unless the holder of such claim agrees to an alternative treatment.

(c) *Fee Claims*

All final fee requests for compensation or reimbursement of Fee Claims pursuant to sections 327, 328, 329, 330, 331, 503(b), or 1103 of the Bankruptcy Code for services rendered to the Debtors, the Tort Claimants' Committee, or the FCR, all Fee Claims of members of the Tort Claimants' Committee for reimbursement of expenses, and all requests or Claims under section 503(b)(4) of the Bankruptcy Code, must be filed and served on the Reorganized Debtors and other parties required to be served by the Compensation Procedures Order by no later than forty-five (45) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court. Any objections to a final Fee Claim or any requests or claims under section 503(b)(4) of the Bankruptcy Code must be filed by no later than twenty (20) days after the filing of such Claim. The terms of the Compensation Procedures Order shall govern the allowance and payment of any final Fee Claims submitted in accordance with Section 2.3 of the Plan. The Fee Examiner appointed under the Fee Examiner Order shall continue to act in this appointed capacity unless and until all final Fee Claims have been approved by order of the Bankruptcy Court, and the Reorganized Debtors shall be responsible to pay the fees and expenses incurred by the Fee Examiner in rendering services after the Effective Date.

The amount of the Fee Claims owing to the Professionals on and after the Effective Date shall be paid in Cash to such Professionals from funds held in the Fee Claim Reserve, which shall be funded from Cash on hand and/or the Imerys Cash Contribution (excluding the Unsecured Claim Contribution), as soon as reasonably practicable after such Claims are Allowed by a Bankruptcy Court order. The Reorganized Debtors will be entitled to transfer excess funds from the Administrative Claim Reserve (after all Allowed Administrative Claims have been satisfied in full) and the Reorganized North American Debtor Cash Reserve (excluding all funds attributable to the Unsecured Claim Contribution) to the Fee Claim Reserve as they deem necessary or appropriate, on notice to the FCR and the Tort Claimants' Committee, to enable them to satisfy their obligations herein. When all Allowed Fee Claims and Allowed Administrative Claims have been paid in full, amounts remaining in the Fee Claim Reserve, if any, shall revert to the Talc Personal Injury Trust, *except* that any Cash remaining in the Fee Claim Reserve after all Allowed Fee Claims have been satisfied pursuant to Section 2.3 of the Plan and all Allowed Administrative Claims have been satisfied pursuant to Section 2.1 that is attributable to the Contingent Contribution, shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A.

7.2 Treatment of Classified Claims and Equity Interests

The classification and treatment of Claims against and Equity Interests in each Debtor are set forth in detail in Article III of the Plan.

(a) *Class 1 – Priority Non-Tax Claims*

- (1) Classification: Class 1 consists of all Priority Non-Tax Claims against the Debtors.
- (2) Treatment: On the Distribution Date, each holder of an Allowed Class 1 Priority Non-Tax Claim shall receive Cash equal to the Allowed Amount of such Priority Non-Tax Claim.
- (3) Voting: Class 1 is Unimpaired and each holder of an Allowed Claim in Class 1 is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 1 is not entitled to vote to accept or reject the Plan.

(b) *Class 2 – Secured Claims*

- (1) Classification: Class 2 consists of all Secured Claims against the Debtors.
- (2) Treatment: All Allowed Secured Claims in Class 2 will be treated pursuant to one of the following alternatives on the Distribution Date: (i) payment in full in Cash in accordance with section 506(a) of the Bankruptcy Code; (ii) reinstatement pursuant to section 1124 of the Bankruptcy Code; (iii) such other treatment as the Debtor and the holder shall agree; or (iv) such other treatment as may be necessary to render such Claim Unimpaired.

- (3) Voting: Class 2 is Unimpaired and each holder of an Allowed Claim in Class 2 is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 2 is not entitled to vote to accept or reject the Plan.
- (c) *Class 3a – Unsecured Claims against the North American Debtors*
- (1) Classification: Class 3a consists of all Unsecured Claims against the North American Debtors.
 - (2) Treatment: Each holder of an Allowed Unsecured Claim against the North American Debtors shall be paid the Allowed Amount of its Unsecured Claim on the Distribution Date. Such payment shall be (i) in full, in Cash, plus post-petition interest at the federal judgment rate in effect on the Petition Date, or (ii) upon such other less favorable terms as may be mutually agreed upon between the holder of such Unsecured Claim and the applicable North American Debtor or Reorganized North American Debtor.
 - (3) Voting: Class 3a is Unimpaired and each holder of an Allowed Claim in Class 3a is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 3a is not entitled to vote to accept or reject the Plan.
- (d) *Class 3b – Unsecured Claims against ITI*
- (1) Classification: Class 3b consists of all Unsecured Claims against ITI.
 - (2) Treatment: The legal, equitable, and contractual rights of the holders of Unsecured Claims against ITI are unaltered by the Plan. Except to the extent that a holder of an Unsecured Claim against ITI agrees to a different treatment, on and after the Effective Date, Reorganized ITI will continue to pay or dispute each Unsecured Claim in the ordinary course of business in accordance with applicable law.
 - (3) Voting: Class 3b is Unimpaired and each holder of an Allowed Claim in Class 3b is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 3b is not entitled to vote to accept or reject the Plan.
- (e) *Class 4 – Talc Personal Injury Claims*
- (1) Classification: Class 4 consists of all Talc Personal Injury Claims.
 - (2) Treatment: On the Effective Date, liability for all Talc Personal Injury Claims shall be channeled to and assumed by the Talc Personal Injury Trust without further act or deed and shall be resolved in accordance with the terms and procedures of the Talc Personal Injury Trust and the Trust Distribution Procedures. Pursuant to the Plan and Trust Distribution

Procedures, each holder of a Talc Personal Injury Claim shall have its Claim permanently channeled to the Talc Personal Injury Trust, and such Claim shall thereafter be asserted exclusively against the Talc Personal Injury Trust and resolved and paid by the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures.

- (3) Voting: Class 4 is Impaired and each holder of an Allowed Claim in Class 4 is entitled to vote to accept or reject the Plan.

(f) *Class 5a – Non-Debtor Intercompany Claims*

- (1) Classification: Class 5a consists of all Non-Debtor Intercompany Claims.
- (2) Treatment: On or after the Effective Date, all Non-Debtor Intercompany Claims shall be canceled, discharged, or eliminated.
- (3) Voting: Class 5a is Impaired. Each holder of an Allowed Claim in Class 5a has consented to its treatment under the Plan as a Plan Proponent and is therefore presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Claim in Class 5a is not entitled to accept or reject the Plan.

(g) *Class 5b – Debtor Intercompany Claims*

- (1) Classification: Class 5b consists of all Debtor Intercompany Claims.
- (2) Treatment: At the election of the applicable Debtor, each Debtor Intercompany Claim shall (i) be reinstated, (ii) remain in place, and/or (iii) with respect to certain Debtor Intercompany Claims in respect of goods, services, interest, and other amounts that would have been satisfied in Cash directly or indirectly in the ordinary course of business had they not been outstanding as of the Petition Date, be settled in Cash.
- (3) Voting: Class 5b is Unimpaired and each holder of an Allowed Claim in Class 5b is conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of a Claim in Class 5b is not entitled to accept or reject the Plan.

(h) *Class 6 – Equity Interests in the North American Debtors*

- (1) Classification: Class 6 consists of all Equity Interests in the North American Debtors.
- (2) Treatment: On the Effective Date, all Equity Interests in the North American Debtors shall be canceled, annulled, and extinguished.
- (3) Voting: Class 6 is Impaired. Each holder of an Allowed Class 6 Equity Interest has consented to its treatment under the Plan as a Plan Proponent

and is therefore presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Equity Interest in Class 6 is not entitled to vote to accept or reject the Plan.

(i) *Class 7 – Equity Interests in ITI*

- (1) Classification: Class 7 consists of all Equity Interests in ITI.
- (2) Treatment: On the Effective Date, all Equity Interests in ITI shall be reinstated and the legal, equitable, and contractual rights to which holders of Equity Interests in ITI are entitled shall remain unaltered to the extent necessary to implement the Plan.
- (3) Voting: Class 7 is Unimpaired and each holder of an Allowed Class 7 Equity Interest is presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code. Each holder of an Allowed Equity Interest in Class 7 is not entitled to vote to accept or reject the Plan.

7.3 Conditions Precedent to the Confirmation of the Plan

Confirmation of the Plan shall not occur unless each of the following conditions has been satisfied or waived pursuant to Section 9.3 of the Plan:

- (a) The Bankruptcy Court shall have entered an order, acceptable in form and substance to each of the Plan Proponents approving this Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.
- (b) Class 4 shall have voted in requisite numbers and amounts in favor of the Plan as required by sections 524(g), 1126, and 1129 of the Bankruptcy Code.
- (c) The Plan and the Plan Supplement, including any schedules, documents, supplements and exhibits thereto, shall be consistent with (i) section 524(g) of the Bankruptcy Code, as applicable, and (ii) the other provisions of the Plan.
- (d) The Reorganized North American Debtors shall have sufficient funds from Cash on hand and/or the Unsecured Claim Contribution to resolve all Allowed Class 3a Claims and to adequately fund the Disputed Claims Reserve as determined by each of the Plan Proponents.
- (e) The Bankruptcy Court shall have made such findings and determinations regarding the Plan as shall enable the entry of the Confirmation Order and any other order in conjunction therewith, in form and substance acceptable to each of the Plan Proponents. These findings and determinations, which are designed, among other things, to ensure that the Injunctions, releases and discharges set forth in Article XII shall be effective, binding and enforceable, and shall among other things conclude:

- (1) Good Faith Compliance. The Plan complies with all applicable provisions of the Bankruptcy Code including, without limitation, that the Plan be proposed in good faith and that the Confirmation Order not be procured by fraud.
- (2) Voting. Class 4 has voted in requisite numbers and amounts in favor of the Plan as required by each of sections 524(g), 1126, and 1129 of the Bankruptcy Code.
- (3) Injunctions. The Channeling Injunction, the Insurance Entity Injunction, and the Supplemental Settlement Injunction Order are to be implemented in connection with the Talc Personal Injury Trust.
- (4) Named Defendants. As of the Petition Date, one or more of the Debtors had been named as a defendant in personal injury, wrongful death or property damage actions seeking recovery for damages allegedly caused by the presence of, or exposure to, talc or talc-containing products.
- (5) Assumption of Certain Liabilities. Upon the Effective Date, the Talc Personal Injury Trust shall assume the liabilities of the Protected Parties with respect to Talc Personal Injury Claims and have exclusive authority as of the Effective Date to satisfy or defend such Talc Personal Injury Claims.
- (6) Funding of Talc Personal Injury Trust. The Talc Personal Injury Trust will be funded with the Talc Personal Injury Trust Assets, including the Talc PI Note, which will be secured by a majority of the common stock of Reorganized ITI, pursuant to the Talc PI Pledge Agreement, and include the right to receive distributions on account of the Talc PI Note pursuant to the terms set forth in the Talc PI Note.
- (7) Stock Ownership. The Talc Personal Injury Trust, on the Effective Date, by the exercise of rights granted under the Plan, (i) will receive the Reorganized North American Debtor Stock and shall maintain the rights to receive dividends or other distributions on account of such stock, and (ii) will be entitled to own the majority of the common stock of Reorganized ITI if specific contingencies occur.
- (8) Use of Talc Personal Injury Trust Assets. The Talc Personal Injury Trust will use its assets and income to resolve Talc Personal Injury Claims.
- (9) Likelihood of Talc Personal Injury Demands. The Debtors are likely to be subject to substantial future Talc Personal Injury Demands for payment arising out of the same or similar conduct or events that gave rise to the Talc Personal Injury Claims that are addressed by the Channeling Injunction and the Insurance Entity Injunction.

- (10) Talc Personal Injury Demands Indeterminate. The actual amounts, numbers, and timing of future Talc Personal Injury Demands cannot be determined.
- (11) Likelihood of Threat to Plan's Purpose. Pursuit of Talc Personal Injury Claims, including Talc Personal Injury Demands, outside of the procedures prescribed by the Plan and the Plan Documents, including the Trust Distribution Procedures, is likely to threaten the Plan's purpose to treat the Talc Personal Injury Claims and Talc Personal Injury Demands equitably.
- (12) Injunctions Conspicuous. The terms of the Discharge Injunction, the Channeling Injunction, the Supplemental Settlement Injunction Order, the Release Injunction, and the Insurance Entity Injunction, including any provisions barring actions against third parties, are set out in conspicuous language in the Plan and in the Disclosure Statement.
- (13) Appropriate Trust Mechanisms. Pursuant to court orders or otherwise, the Talc Personal Injury Trust shall operate through mechanisms such as structured, periodic or supplemental payments, pro rata distributions, matrices or periodic review of estimates of the numbers and values of Talc Personal Injury Claims or other comparable mechanisms, that provide reasonable assurance that the Talc Personal Injury Trust will value, and be in a financial position to pay, Talc Personal Injury Claims that involve similar Claims in substantially the same manner regardless of the timing of the assertion of such Talc Personal Injury Claims.
- (14) Future Claimants' Representative. The FCR was appointed by the Bankruptcy Court as part of the proceedings leading to the issuance of the Channeling Injunction, the Insurance Entity Injunction, and the Supplemental Settlement Injunction Order, for the purpose of, among other things, protecting the rights of persons that might subsequently assert Talc Personal Injury Demands of the kind that are addressed in the Channeling Injunction, the Insurance Entity Injunction, and the Supplemental Settlement Injunction Order, and transferred to and assumed by the Talc Personal Injury Trust.
- (15) Fair and Equitable Inclusion. The inclusion of each Debtor or other Protected Party within the protection afforded by the Channeling Injunction and the Insurance Entity Injunction, as applicable, is fair and equitable with respect to the Persons that might subsequently assert Talc Personal Injury Demands against each such Debtor or other Protected Party in light of the benefits provided, or to be provided, to the Talc Personal Injury Trust by or on behalf of each such Debtor or other Protected Party.
- (16) Sections 105(a) and 524(g) Compliance. The Plan complies with sections 105(a) and 524(g) of the Bankruptcy Code to the extent applicable.

- (17) Injunctions Essential. The Discharge Injunction, the Channeling Injunction, the Supplemental Settlement Injunction Order, the Release Injunction, and the Insurance Entity Injunction are essential to the Plan and the Debtors' reorganization efforts.
- (18) Assignment Authorized. The Bankruptcy Code authorizes the Assignment by preempting any terms of the Talc Insurance Policies, Talc Insurance Settlement Agreements, Talc Insurance Buyback Agreements, or provisions of applicable non-bankruptcy law that any Talc Insurance Company may otherwise argue prohibits the Assignment.
- (19) The Supplemental Settlement Injunction Order. The Supplemental Settlement Injunction Order is to be implemented in connection with the Imerys Settlement.

7.4 Conditions Precedent to the Effective Date of the Plan

Notwithstanding any other provision of the Plan or the Confirmation Order, the Effective Date of the Plan shall occur on the first Business Day on which each of the following conditions has been satisfied or waived pursuant to Section 9.3 of the Plan:

- (a) Confirmation Order. The Confirmation Order shall have been submitted to the District Court for affirmation on or before November 16, 2020, and the Affirmation Order in form and substance acceptable to each of the Plan Proponents shall have been entered by the District Court, and the Confirmation Order shall have become a Final Order; *provided, however*, that the Effective Date may occur at a point in time when the Confirmation Order is not a Final Order at the sole option of the Plan Proponents unless the effectiveness of the Confirmation Order has been stayed or vacated, in which case the Effective Date may be the first Business Day immediately following the expiration or other termination of any stay of effectiveness of the Confirmation Order.
- (b) Sale Order. The Sale Order shall have (i) been entered on or before the date the Confirmation Order is entered, and (ii) recognized by the Canadian Court in the Canadian Proceeding on or before a date that is no later than fourteen (14) Business Days after entry of the Sale Order by the Bankruptcy Court.
- (c) Talc Personal Injury Trust. The Talc Personal Injury Trust Assets shall, simultaneously with the occurrence of the Effective Date, be transferred to, vested in, and assumed by the Talc Personal Injury Trust in accordance with Article IV of the Plan.
- (d) Plan Documents. The Talc Personal Injury Trust Agreement (and related documents), and the other applicable Plan Documents necessary or appropriate to implement the Plan shall have been executed, delivered and, where applicable, filed with the appropriate governmental authorities.

- (e) Allowed Non-Talc Claims. The Reserves shall be adequately funded as determined by each of the Plan Proponents so as to permit the Debtors to make Distributions relating to Allowed Non-Talc Claims in accordance with the Plan.
- (f) Imerys Contribution. Imerys S.A. shall have disbursed, or satisfied all conditions of, the Imerys Contribution to the Debtors, the Reorganized North American Debtors, or the Talc Personal Injury Trust, as applicable, in accordance with Article X of the Plan.
- (g) United States Trustee's Fees. The fees of the United States Trustee then owing by the Debtors shall have been paid in full.
- (h) Ancillary Proceeding in Canada. The Canadian Court shall have entered an order in the Canadian Proceeding recognizing the Confirmation Order in its entirety and ordering the Confirmation Order and the Plan to be implemented and effective in Canada in accordance with their terms.

7.5 Means for Implementation of the Plan

(a) *General*

On or after the Confirmation Date, each of the Plan Proponents shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary to enable them to implement the provisions of the Plan on the Effective Date, including, without limitation, the creation of the Talc Personal Injury Trust and the preparations for the transfer of the Talc Personal Injury Trust Assets to the Talc Personal Injury Trust.

(b) *Operations of the Debtors Between Confirmation and the Effective Date*

The Debtors shall continue to operate as debtors and debtors-in-possession during the period from the Confirmation Date through and until the Effective Date.

(c) *Charter and Bylaws*

From and after the Effective Date, each of the Reorganized North American Debtors shall be governed pursuant to their respective Amended Charter Documents. The Amended Bylaws and the Amended Certificates of Incorporation shall contain such provisions as are necessary to satisfy the provisions of the Plan and, to the extent necessary to prohibit the issuance of non-voting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the Amended Charter Documents after the Effective Date, as permitted by applicable law. Notwithstanding the foregoing, from and after the Effective Date, Reorganized ITI shall continue to be governed pursuant to its existing bylaws and certificate of incorporation.

(d) *Corporate Action*

On the Effective Date, the matters under the Plan involving or requiring corporate action of the Debtors, including, but not limited to, actions requiring a vote of the boards of directors or shareholders and execution of all documentation incident to the Plan, shall be deemed to have been

authorized by the Confirmation Order and to have occurred and be in effect from and after the Effective Date without any further action by the Bankruptcy Court or the officers or directors of the Debtors.

(e) *Surrender of Existing Equity Interests*

The Plan provides that holders of Equity Interests in Class 6 shall be deemed to have surrendered such Equity Interests and other documentation underlying such Equity Interests and all such surrendered Equity Interests and other documentation shall be deemed to be canceled in accordance with Article III of the Plan.

(f) *Post-Effective Date Governance, Continued Existence of the Reorganized North American Debtors, and the Reorganized North American Debtor Stock*

On the Effective Date, after the Reserves have been funded and all Talc Personal Injury Trust Assets have been transferred to the Talc Personal Injury Trust (as applicable): (a) all North American Debtor Stock will be canceled, and (b) simultaneously with the cancellation of such shares, the North American Debtors will issue the Reorganized North American Debtor Stock to the Talc Personal Injury Trust.

Except as otherwise provided in the Plan or as may be provided in the Plan Supplement or the Confirmation Order, each of the Reorganized North American Debtors shall continue their existence as separate entities after the Effective Date, with all the powers thereof, pursuant to the applicable law in the jurisdiction in which each Reorganized North American Debtor is incorporated and pursuant to the Amended Charter Documents and any other formation documents in effect following the Effective Date, and such documents are deemed to be adopted pursuant to the Plan and require no further action or approval. Moreover, on the Effective Date, the officers and directors of the Reorganized North American Debtors shall consist of the individuals that will be identified in the Plan Supplement.

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, all property in the Reorganized North American Debtors' Estates other than property constituting Talc Personal Injury Trust Assets, including but not limited to, all North American Debtor Causes of Action and any property acquired by the North American Debtors pursuant to the Plan, shall vest in the Reorganized North American Debtors, free and clear of all Claims, interests, Liens, other Encumbrances, and liabilities of any kind. On and after the Effective Date, except as otherwise provided in the Plan, the Reorganized North American Debtors may operate their businesses and may use, acquire, or dispose of property and compromise or settle any Claims, interests, or North American Debtor Causes of Action without supervision or approval by the Bankruptcy Court, or notice to any other Entity, and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

On the Effective Date, and if applicable, pursuant to sections 1141(b) and 1141(c) of the Bankruptcy Code, all assets of the North American Debtors that constitute Talc Personal Injury Trust Assets shall vest in the Talc Personal Injury Trust pursuant to the terms of the Plan. The

Talc Personal Injury Trust shall own such assets, as of the Effective Date, free and clear of all Claims, interests, Liens, other Encumbrances, and liabilities of any kind.

(g) *Post-Effective Date Governance and Continued Existence of Reorganized ITI*

On the Effective Date, Reorganized ITI shall remain a direct subsidiary of Mircal Italia and all Equity Interests in ITI shall be reinstated. On the Effective Date, (i) Imerys S.A. and ITI shall also issue the Talc PI Note to the Talc Personal Injury Trust, and (ii) Mircal Italia shall execute the Talc PI Pledge Agreement.

Except as otherwise provided in the Plan or as may be provided in the Plan Supplement or the Confirmation Order, Reorganized ITI shall continue to exist after the Effective Date as a separate corporate entity from each of the Reorganized North American Debtors, with all the powers thereof, pursuant to the applicable law in the jurisdiction in which Reorganized ITI is incorporated and pursuant to its existing bylaws and certificate of incorporation and any other formation documents in effect prior to the Petition Date, and such documents are deemed to be adopted pursuant to the Plan and require no further action or approval.

In addition, except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, all property in ITI's Estate, all ITI Causes of Action, and any property acquired by ITI pursuant to the Plan, shall vest in Reorganized ITI, free and clear of all Claims, interests, Liens, other Encumbrances, and liabilities of any kind. On and after the Effective Date, except as otherwise provided in the Plan, Reorganized ITI may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, interests, or ITI Causes of Action without supervision or approval by the Bankruptcy Court, or notice to any other Entity, and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

(h) *Imerys Settlement*

(1) Compromise and Settlement of Claims

Pursuant to section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan effect a compromise and settlement of all Imerys Released Claims against the Imerys Protected Parties, and the Plan constitutes a request for the Bankruptcy Court to authorize and approve the Imerys Settlement, to release all of the Imerys Released Claims, including, without limitation, the Estate Causes of Action, against each of the Imerys Protected Parties.

As further described in this Disclosure Statement, the provisions of the Plan (including the release and injunctive provisions contained in Article XII of the Plan) and the other documents entered into in connection with the Plan constitute a good faith compromise and settlement among the Plan Proponents of Claims and controversies among such parties. The Plan, including the explanation set forth in this Disclosure Statement, shall be deemed a motion to approve the Imerys Settlement and the good faith compromise and settlement of all of the Claims and controversies described in the Plan pursuant to Bankruptcy Rule 9019, and entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Imerys Settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that

the Plan Settlement is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Entry of the Confirmation Order shall confirm the Bankruptcy Court's approval, as of the Effective Date of the Plan, of all components of the Imerys Settlement and the Bankruptcy Court's finding that the Imerys Settlement is in the best interests of the Debtors, their respective Estates, and is fair, equitable and reasonable.

Upon (i) satisfaction of all conditions of the Imerys Contribution in accordance with the terms of the Plan, (ii) the funding of the Reserves from Cash on hand and/or the Imerys Cash Contribution, and (iii) the transfer of the Talc Personal Injury Trust Assets to the Talc Personal Injury Trust, the Plan shall be deemed to be substantially consummated, notwithstanding any contingent obligations arising from the foregoing. For the avoidance of doubt, Imerys S.A.'s satisfaction of the Imerys Contribution is on behalf of itself and the other Imerys Protected Parties.

The Plan (including its incorporation of the Imerys Settlement), the Plan Documents, and the Confirmation Order constitute a good faith compromise and settlement of Claims and controversies based upon the unique circumstances of these Chapter 11 Cases and none of the foregoing documents, this Disclosure Statement, or any other papers filed in furtherance of Plan Confirmation, nor any drafts of such documents may be offered into evidence or deemed as an admission in any context whatsoever beyond the purposes of the Plan, in any other litigation or proceeding except as necessary, and as admissible in such context to enforce their terms before the Bankruptcy Court or any other court of competent jurisdiction. The Plan, the Imerys Settlement, the Plan Documents, and the Confirmation Order will be binding as to the matters and issues described therein, but will not be binding with respect to similar matters or issues that might arise in any other litigation or proceeding in which none of the Debtors, the Reorganized Debtors, the Imerys Protected Parties, or the Talc Personal Injury Trust is a party.

(2) Imerys Contribution

Imerys Settlement Funds. On or prior to the Effective Date, Imerys will contribute or cause to be contributed, the Imerys Settlement Funds to the Debtors or the Reorganized Debtors, as applicable, which the Debtors or the Reorganized Debtors, as applicable, will contribute to the Talc Personal Injury Trust upon the Effective Date. For the avoidance of doubt, all proceeds from the Sale(s) will be paid by the Buyer to the North American Debtors or the Reorganized North American Debtors, as applicable, upon the close of the Sale(s).

Imerys Cash Contribution. On or prior to the Effective Date, Imerys will contribute, or cause to be contributed, the following to the Debtors or the Reorganized Debtors, as applicable:

- (i) the balance of the Intercompany Loan to fund administrative expenses during the pendency of the Chapter 11 Cases, as well as certain of the Reserves (with any remaining balance of the Intercompany Loan not otherwise used to fund the Reserves or pay administrative expenses to be contributed to the Talc Personal Injury Trust on or as soon as reasonably practicable after the Effective Date);
- (ii) \$5 million (less any amounts already paid and noted in an accounting to the Tort Claimants' Committee and the FCR) for payment of

Allowed Claims in Class 3a through inclusion in the Reorganized North American Debtor Cash Reserve or the Disputed Claims Reserve, as applicable (with any remaining balance of the \$5 million not otherwise used to fund the Reorganized North American Debtor Cash Reserve or the Disputed Claims Reserve, as applicable, to be contributed to the Talc Personal Injury Trust on or as soon as reasonably practicable after the Effective Date); and

(iii) up to \$15 million, to the extent the Debtors do not have available Cash after exhaustion of the Intercompany Loan to pay all Administrative Claims in full on the Effective Date and would otherwise be administratively insolvent; *provided* that Imerys S.A. shall fund the Debtors' administrative expenses as follows: Imerys S.A. shall pay fifty percent (50%) of such expenses in Cash (in an amount not to exceed \$15 million) and fifty percent (50%) shall be funded by a dollar-for-dollar reduction of the Imerys Settlement Funds (in an amount not to exceed \$15 million).

Talc Trust Contribution. On or prior to the Effective Date, Imerys has agreed to contribute, or cause to be contributed, the following to the Talc Personal Injury Trust:

(i) indemnification interests (or proceeds thereof) held by a Non-Debtor Affiliate, but only to the extent such interests or proceeds relate to indemnification that may be available to pay Talc Personal Injury Claims against the Debtors or a Non-Debtor Affiliate, and rights and interests to the proceeds of the Shared Talc Insurance Policies, and all rights against third parties held by Non-Debtor Affiliates relating to Talc Personal Injury Claims, including any related indemnification rights, each of which is to be identified in the Plan Supplement; and

(ii) the Talc PI Pledge Agreement.

Additional Contribution. On or prior to the Effective Date, Imerys has agreed to take the following actions:

(i) waive all Non-Debtor Intercompany Claims against the Debtors; and

(ii) unless otherwise assumed by the Buyer, assume any Pension Liabilities of the North American Debtors through and after the Effective Date of the Plan.

(2) Cooperation Agreement.

The Debtors, Imerys, and the Talc Personal Injury Trust shall enter into the Cooperation Agreement, which shall be included in the Plan Supplement.

(i) *Resolution of Talc Personal Injury Claims*

Talc Personal Injury Claims shall be resolved by the Talc Personal Injury Trust in accordance with the Trust Distribution Procedures, subject to the right of any Talc Insurance Company to raise any Talc Insurer Coverage Defense in response to a demand by the Talc Personal Injury Trust that such insurer handle, defend, or pay any such claim.

(j) *Sources of Consideration for Plan Distributions*

North American Debtor Claims. All Cash consideration necessary for payments or distributions on account of the North American Debtor Claims shall be obtained from (i) the Cash on hand of the North American Debtors on the Effective Date, including Cash derived from business operations and (ii) the Imerys Cash Contribution.

Talc Personal Injury Claims. All Cash consideration necessary for payments or distributions on account of Talc Personal Injury Claims shall be obtained from (i) the Cash on hand of the North American Debtors on the Effective Date, including Cash derived from business operations, other than the Cash placed in the Reserves, if any, (ii) the Imerys Settlement Funds, (iii) the amount of the Imerys Cash Contribution, after such funds have been disbursed in accordance with Section 10.8.2 of the Plan; (iv) all Cash remaining in the Reserves, if applicable, as set forth in Section 10.11 of the Plan; and (v) all proceeds from the Talc Personal Injury Trust Assets.

Reorganized ITI. All Cash consideration necessary for payments or distributions under the Plan on account of ITI Claims, for the avoidance of doubt, other than Talc Personal Injury Claims, shall be obtained from the Cash on hand at Reorganized ITI.

Transfer of Funds Between the North American Debtors. The North American Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable them to satisfy their obligations under the Plan; *provided* that any transfer of funds from ITC to another North American Debtor shall be subject to review by the Information Officer. Except as set forth therein, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate or otherwise be affected by the terms of the Plan.

Funding by the Talc Personal Injury Trust. The Talc Personal Injury Trust shall have no obligation to fund costs and expenses other than those set forth in the Plan and/or the Talc Personal Injury Trust Documents, as applicable.

(k) *Transfer of Remaining North American Debtors' Assets to the Talc Personal Injury Trust*

After (i) all Disputed Claims against the North American Debtors have been resolved, and (ii) all Distributions required to be made by the Reorganized North American Debtors under the Plan have been made, all Cash remaining in the Disputed Claims Reserve shall be disbursed to the Talc Personal Injury Trust, in accordance with Section 7.10 of the Plan.

Upon the close of the Chapter 11 Cases, all Cash remaining in the Reorganized North American Debtor Cash Reserve shall be disbursed to the Talc Personal Injury Trust.

Any remaining balance in the Fee Claim Reserve and the Administrative Claim Reserve shall be disbursed to the Talc Personal Injury Trust subject to and in accordance with Sections 2.1 and 2.3 of the Plan, *provided that* any Cash remaining in the Fee Claim Reserve and the Administrative Claim Reserve that is attributable to the Contingent Contribution shall be disbursed with fifty percent (50%) distributed to the Talc Personal Injury Trust and fifty percent (50%) distributed to Imerys S.A.

(l) *Modification of the Plan*

Any proposed amendments to or modifications of the Plan under section 1127 of the Bankruptcy Code or as otherwise permitted by law will be submitted jointly by the Plan Proponents, without additional disclosure pursuant to section 1125 of the Bankruptcy Code at any time prior to substantial consummation of the Plan. Following substantial consummation of the Plan, the Reorganized Debtors may remedy any defects or omissions or reconcile any inconsistencies in the Plan Documents for the purpose of implementing the Plan in such manner as may be necessary to carry out the purposes and intent of the Plan, so long as (a) the interests of the holders of Allowed Claims are not adversely affected thereby; (b) any such modifications are non-material; (c) the Tort Claimants' Committee and the FCR or, following the Effective Date, the Talc Trust Advisory Committee and the FCR consent; and (d) Imerys S.A. consents. Post-Effective Date, any holder of a Claim or Equity Interest that has accepted the Plan shall be deemed to have accepted this Plan as amended, modified or supplemented pursuant to Section 10.12 of the Plan.

(m) *Revocation or Withdrawal of the Plan*

The Debtors, with the consent of each of the other Plan Proponents, reserve the right to revoke and withdraw the Plan prior to entry of the Confirmation Order. If the Debtors, with the consent of each of the other Plan Proponents, revoke or withdraw the Plan, or if Confirmation of the Plan as to any Debtor does not occur, then, with respect to such Debtor, the Plan shall be deemed null and void and nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against such Debtor, or any other Entity (including the Plan Proponents), or to prejudice in any manner the rights of such Debtor, or such Entity (including the Plan Proponents) in any further proceedings involving such Debtor.

(n) *Certain Technical Modifications*

Prior to the Effective Date, the Plan Proponents collectively may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court; provided, however, that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims or Equity Interests under the Plan.

7.6 Insurance Provisions

The provisions of Section 11.4 of the Plan shall apply to all Entities (including, without limitation, all Talc Insurance Companies).

Nothing contained in the Plan, the Plan Documents, or the Confirmation Order, including any provision that purports to be preemptory or supervening, shall in any way operate to, or have the effect of, impairing, altering, supplementing, changing, expanding, decreasing, or modifying (a) the rights or obligations of any of any Talc Insurance Company or (b) any rights or obligations of the Debtors arising out of or under any Talc Insurance Policy. For all issues relating to insurance coverage, the provisions, terms, conditions, and limitations of the Talc Insurance Policies shall control. For the avoidance of doubt, nothing contained in the Plan, the Plan Documents, or the Confirmation Order shall operate to require any Talc Insurance Company to indemnify or pay the liability of any Protected Party that it would not have been required to pay in the absence of this Plan.

The Plan, the Plan Documents, and the Confirmation Order, shall be binding on the Debtors, the Reorganized Debtors, and the Talc Personal Injury Trust. The obligations, if any, of the Talc Personal Injury Trust to pay holders of Talc Personal Injury Claims shall be determined pursuant to the Plan and the Plan Documents. Except as provided in Section 11.4.1.4 of the Plan, none of (a) the Bankruptcy Court's approval of the Plan or the Plan Documents, (b) the Confirmation Order or any findings and conclusions entered with respect to Confirmation, nor (c) any estimation or valuation of Talc Personal Injury Claims, either individually or in the aggregate (including, without limitation, any agreement as to the valuation of Talc Personal Injury Claims) in the Chapter 11 Cases shall, with respect to any Talc Insurance Company, constitute a trial or hearing on the merits or an adjudication or judgment, or accelerate the obligations, if any, of any Talc Insurance Company under its Talc Insurance Policies.

No provision of the Plan, other than those provisions contained in the applicable Injunctions set forth in Article XII of the Plan, shall be interpreted to affect or limit the protections afforded to any Settling Talc Insurance Company by the Channeling Injunction or the Insurance Entity Injunction.

Nothing in Section 11.4.1 of the Plan is intended or shall be construed to preclude otherwise applicable principles of *res judicata* or collateral estoppel from being applied against any Talc Insurance Company with respect to any issue that is actually litigated by such Talc Insurance Company as part of its objections, if any, to Confirmation of the Plan or as part of any contested matter or adversary proceeding filed by such Talc Insurance Company in conjunction with or related to Confirmation of the Plan. Plan objections that are withdrawn prior to the conclusion of the Confirmation Hearing shall be deemed not to have been actually litigated.

7.7 Releases, Injunctions and Exculpation

The release, injunction and exculpation provisions are set forth in Article XII of the Plan, and a summary of such provisions is provided below.

(a) *Terms of Injunction and Automatic Stay*

All of the injunctions and/or automatic stays provided for in or in connection with the Chapter 11 Cases, whether pursuant to sections 105, 362, or any other provision of the Bankruptcy Code, Bankruptcy Rules, or other applicable law in existence immediately prior to the Confirmation Date, shall remain in full force and effect until the injunctions become effective pursuant to a Final Order, and shall continue to remain in full force and effect thereafter as and to the extent provided by the Plan, the Confirmation Order, or by their own terms. In addition, on and after Confirmation, the Debtors, with the consent of each of the Plan Proponents, may collectively seek such further orders as they deem necessary or appropriate to preserve the status quo during the time between the Confirmation Date and the Effective Date.

Each of the Injunctions contained in the Plan or the Confirmation Order shall become effective on the Effective Date and shall continue in effect at all times thereafter unless otherwise provided by the Plan or the Confirmation.

(b) *Discharge and Injunctions*

(1) Discharge of Claims Against and Termination of Equity Interests the Debtors

Except as otherwise provided in the Plan or the Confirmation Order, as of the Effective Date, Confirmation of the Plan shall afford each Debtor a discharge to the fullest extent permitted by Bankruptcy Code sections 524 and 1141(d)(1).

(2) Discharge Injunction

Except as specifically provided in the Plan or the Confirmation Order, from and after the Effective Date, to the maximum extent permitted under applicable law, all Persons that hold, have held, or may hold a Claim, demand or other debt or liability that is discharged, or an Equity Interest or other right of an equity security holder that is terminated pursuant to the terms of the Plan, are permanently enjoined from taking any of the following actions on account of, or on the basis of, such discharged Claims, debts or liabilities, or terminated Equity Interests or rights: (i) commencing or continuing any action or other proceeding of any kind against the Debtors, the Reorganized Debtors, the Talc Personal Injury Trust, or their respective property; (ii) enforcing, attaching, collecting, or recovering by any manner or means of any judgment, award, decree, or order against the Debtors, the Reorganized Debtors, the Talc Personal Injury Trust, or their respective property; (iii) creating, perfecting, or enforcing any Lien or Encumbrance of any kind against the Debtors, the Reorganized Debtors, the Talc Personal Injury Trust, or their respective property; and (iv) commencing or continuing any judicial or administrative proceeding, in any forum and in any place in the world, that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order (the “Discharge Injunction”). The foregoing injunction shall extend to the successors of the Debtors (including, without limitation, the Reorganized Debtors) and their respective properties and interests in property. The discharge provided in this provision shall void any judgment obtained against any Debtor at any time, to the extent that such judgment relates to a discharged Claim or demand.

(c) **Releases**

(1) **Releases by Debtors and Estates**

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, including, without limitation, the service of the Released Parties before and during the Chapter 11 Cases to facilitate the implementation of the Talc Personal Injury Trust, and except as otherwise explicitly provided in the Plan or in the Confirmation Order, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released, to the maximum extent permitted by law, as such law may be extended subsequent to the Effective Date, by the Debtors and the Estates from any and all Claims, counterclaims, disputes, obligations, suits, judgments, damages, demands, debts, rights, causes of action, Liens, remedies, losses, contributions, indemnities, costs, liabilities, attorneys' fees and expenses whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors or their Estates (including any Estate Causes of Action), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, that the Debtors or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Equity Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party (including the exercise of any common law or contractual rights of setoff or recoupment by any Released Party at any time on or prior to the Effective Date), the restructuring of any Claim or Equity Interest before or during the Chapter 11 Cases, the Disclosure Statement, the Plan, and related agreements, instruments, and other documents, and the negotiation, formulation, preparation or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission; provided, however, that the Debtors do not release, and the Reorganized Debtors shall retain, the Non-Talc Causes of Action arising out of, or related to, any act or omission of a Released Party that is a criminal act or constitutes fraud, gross negligence, or willful misconduct. The Debtors, and any other newly-formed entities that shall be continuing the Debtors' businesses after the Effective Date shall be bound, to the same extent the Debtors are bound, by the releases set forth in Section 12.2.1 of the Plan. For the avoidance of doubt, Claims or causes of action arising out of, or related to, any act or omission of a Released Party prior to the Effective Date that is later found to be a criminal act or to constitute fraud, gross negligence, or willful misconduct, including findings after the Effective Date, are not released pursuant to Section 12.2.1 of the Plan.

In furtherance of the Imerys Settlement, on the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors and the Reorganized Debtors, on their own behalf and as representatives of their respective Estates, and the Tort Claimants' Committee and FCR, solely on their own behalf, irrevocably and unconditionally, are deemed to irrevocably and unconditionally, fully, finally, and forever waive, release, acquit,

and discharge each and all of the Imerys Protected Parties of and from (a) all Estate Causes of Action and (b) any and all claims, causes of action, suits, costs, debts, liabilities, obligations, dues, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, damages, judgments, executions and demands whatsoever, of whatever kind or nature (including, without limitation, those arising under the Bankruptcy Code), whether known or unknown, suspected or unsuspected, in law or in equity, which the Debtors, the Estates, the Tort Claimants' Committee, or the FCR have, had, may have, or may claim to have against any of the Imerys Protected Parties including without limitation with respect to any Talc Personal Injury Claim (clauses (a) and (b) collectively, the "Imerys Released Claims").

(2) *Releases by Holders of Claims*

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, including, without limitation, the service of the Released Parties before and during the Chapter 11 Cases to facilitate the implementation of the Talc Personal Injury Trust, and except as otherwise explicitly provided in the Plan or in the Confirmation Order, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released, to the maximum extent permitted by law, as such law may be extended subsequent to the Effective Date, except as otherwise explicitly provided herein, by the Releasing Claim Holders from any and all Claims, counterclaims, disputes, obligations, suits, judgments, damages, demands, debts, rights, causes of action, Liens, remedies, losses, contributions, indemnities, costs, liabilities, attorneys' fees and expenses whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors or their Estates (including any Estate Causes of Action), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, that such holders or their estates, Affiliates, heirs, executors, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons or parties claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Equity Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors (as such entities existed prior to or after the Petition Date), their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements or interactions between any Debtor and any Released Party (including the exercise of any common law or contractual rights of setoff or recoupment by any Released Party at any time on or prior to the Effective Date), the restructuring of any Claim or Equity Interest before or during the Chapter 11 Cases, the Disclosure Statement, the Plan, and related agreements, instruments, and other documents, and the negotiation, formulation, preparation or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, other than Claims or causes of action arising out of, or related to, any act or omission of a Released Party that constitutes fraud, gross negligence or willful misconduct. For the avoidance of doubt, Claims or causes of action arising out of, or related to, any act or omission of a Released Party prior to the Effective Date that is later found to be a criminal act

or to constitute fraud, gross negligence, or willful misconduct, including findings after the Effective Date, are not released pursuant to Section 12.2.2 of the Plan.

(3) *Injunction Related to Releases*

Except as otherwise provided in the Plan, the Confirmation Order shall permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively or otherwise, of any claims, commitments, obligations, suits, judgments, damages, demands, debts, causes of action and liabilities released pursuant to the Plan (the "Release Injunction").

(d) *The Channeling Injunction and the Insurance Entity Injunction*

To supplement the injunctive effect of the Discharge Injunction, and pursuant to sections 524(g) and 105(a) of the Bankruptcy Code, the Confirmation Order shall provide for the following permanent injunctions to take effect as of the Effective Date.

(1) *Channeling Injunction*

(a) *Terms. To preserve and promote the settlements contemplated by and provided for in the Plan including the Imerys Settlement, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court and the District Court under sections 105(a) and 524(g) of the Bankruptcy Code, the sole recourse of any holder of a Talc Personal Injury Claim against a Protected Party (on account of such Talc Personal Injury Claim) shall be the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Documents, and such holder shall have no right whatsoever at any time to assert its Talc Personal Injury Claim against any Protected Party or any property or interest in property of any Protected Party. On and after the Effective Date, all holders of Talc Personal Injury Claims shall be permanently and forever stayed, restrained, barred, and enjoined from taking any action for the purpose of, directly or indirectly or derivatively collecting, recovering, or receiving payment of, on, or with respect to any Talc Personal Injury Claim against a Protected Party other than from the Talc Personal Injury Trust pursuant to the Talc Personal Injury Trust Documents, including, but not limited to:*

(i) *commencing, conducting, or continuing in any manner, directly, indirectly, or derivatively, any suit, action, or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum in any jurisdiction around the world against or affecting any Protected Party or any property or interests in property of any Protected Party;*

(ii) *enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering, by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against any Protected Party or any property or interests in property of any Protected Party;*

(iii) *creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien of any kind against any Protected Party or any property or interests in property of any Protected Party;*

(iv) *asserting, implementing, or effectuating any setoff, right of reimbursement, subrogation, contribution, or recoupment of any kind, in any manner, directly or indirectly, against any obligation due to any Protected Party or against any property or interests in property of any Protected Party; and*

(v) *taking any act in any manner, and in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan, the Plan Documents, or the Talc Personal Injury Trust Documents or with regard to any matter that is within the scope of the matters designated by the Plan to be subject to resolution by the Talc Personal Injury Trust, except in conformity and compliance with the Talc Personal Injury Trust Documents.*

(b) *Reservations. Notwithstanding anything to the contrary in Section 12.3.1(a) of the Plan, this Channeling Injunction shall not impair:*

(i) *the rights of holders of Talc Personal Injury Claims to assert such Talc Personal Injury Claims solely against the Talc Personal Injury Trust or otherwise in accordance with the Trust Distribution Procedures;*

(ii) *the rights of holders of Talc Personal Injury Claims to assert such claims against anyone other than a Protected Party;*

(iii) *the rights of Persons to assert any Claim, debt, obligation or liability for payment of Talc Personal Injury Trust Expenses solely against the Talc Personal Injury Trust or otherwise in accordance with the Trust Distribution Procedures; or*

(iv) *the Talc Personal Injury Trust from enforcing its rights explicitly provided to it under the Plan and the Talc Personal Injury Trust Documents.*

(c) *Modifications. There shall be no modification, dissolution, or termination of the Channeling Injunction, which shall be a permanent injunction.*

(d) *Non-Limitation Channeling Injunction. Nothing in the Plan or the Talc Personal Injury Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness of the Channeling Injunction issued in connection with the Plan, the releases provided in the Imerys Settlement, or the Talc Personal Injury Trust's assumption of all liability with respect to Talc Personal Injury Claims.*

(e) **Bankruptcy Rule 3016 Compliance.** *The Plan Proponents' compliance with the formal requirements of Bankruptcy Rule 3016(c) shall not constitute an admission that the Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code.*

(f) *Any Protected Party may enforce the Channeling Injunction as a defense to any Claim brought against such Protected Party that is enjoined under the Plan as to such Protected Party and may seek to enforce such injunction in a court of competent jurisdiction.*

(g) *If a non-Settling Talc Insurance Company asserts that it has rights of contribution, indemnity, reimbursement, subrogation or other similar claims (collectively, "Contribution Claims") against a Settling Talc Insurance Company, (i) such Contribution Claims may be asserted as a defense or counterclaim against the Talc Personal Injury Trust in any Talc Insurance Action involving such non-Settling Talc Insurance Company, and the Talc Personal Injury Trust may assert the legal or equitable rights (if any) of the Settling Talc Insurance Company, and (ii) to the extent such Contribution Claims are determined to be valid, the liability (if any) of such non-Settling Talc Insurance Company to the Talc Personal Injury Trust shall be reduced by the amount of such Contribution Claims*

(2) **Insurance Entity Injunction**

(a) **Purpose.** *In order to protect the Talc Personal Injury Trust and to preserve the Talc Personal Injury Trust Assets, pursuant to the equitable jurisdiction and power of the Bankruptcy Court, the Bankruptcy Court shall issue the Insurance Entity Injunction; provided, however, that the Insurance Entity Injunction is not issued for the benefit of any Talc Insurance Company, and no Talc Insurance Company is a third-party beneficiary of the Insurance Entity Injunction, except as otherwise specifically provided in any Talc Insurance Settlement Agreement or Talc Insurance Buyback Agreement.*

(b) **Terms Regarding Claims Against Talc Insurance Companies.** *Subject to the provisions of Sections 12.3.1 and 12.3.2 of the Plan, all Entities that have held or asserted, that hold or assert, or that may in the future hold or assert any claim, demand or cause of action (including any Talc Personal Injury Claim or any claim or demand for or respecting any Talc Personal Injury Trust Expense) against any Talc Insurance Company based upon, attributable to, arising out of, or in any way connected with any such Talc Personal Injury Claim, whenever and wherever arising or asserted, whether in the United States of America or anywhere else in the world, whether sounding in tort, contract, warranty, or any other theory of law, equity, or admiralty, shall be stayed, restrained, and enjoined from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payments, satisfaction, or recovery with respect to any such claim, demand, or cause of action including, without limitation:*

(i) *commencing, conducting, or continuing, in any manner, directly or indirectly, any suit, action, or other proceeding of any kind*

(including a judicial, arbitration, administrative, or other proceeding) in any forum with respect to any such claim, demand, or cause of action against any Talc Insurance Company, or against the property of any Talc Insurance Company, with respect to any such claim, demand, or cause of action;

(ii) enforcing, levying, attaching, collecting, or otherwise recovering, by any means or in any manner, whether directly or indirectly, any judgment, award, decree, or other order against any Talc Insurance Company, or against the property of any Talc Insurance Company, with respect to any such claim, demand, or cause of action;

(iii) creating, perfecting, or enforcing in any manner, directly or indirectly, any Encumbrance against any Talc Insurance Company, or the property of any Talc Insurance Company, with respect to any such claim, demand, or cause of action; and

(iv) except as otherwise specifically provided in the Plan, asserting or accomplishing any setoff, right of subrogation, indemnity, contribution, or recoupment of any kind, directly or indirectly, against any obligation of any Talc Insurance Company, or against the property of any Talc Insurance Company, with respect to any such claim, demand or cause of action;

provided, however, that (a) the injunction set forth in Section 12.3.2(b) of the Plan shall not impair in any way any (i) actions brought by the Talc Personal Injury Trust against any Talc Insurance Company and (ii) the rights of any co-insured of the Debtors (x) with respect to any Talc Insurance Policy or Talc Insurance Settlement Agreement or against any Talc Insurance Company and (y) as specified under any Final Order of the Bankruptcy Court approving a Talc Insurance Settlement Agreement; and (b) the Talc Personal Injury Trust shall have the sole and exclusive authority at any time to terminate, or reduce or limit the scope of, the injunction set forth in Section 12.3.2(b) of the Plan with respect to any Talc Insurance Company upon express written notice to such Talc Insurance Company, except that the Talc Personal Injury Trust shall not have any authority to terminate, reduce or limit the scope of the injunction herein with respect to any Settling Talc Insurance Company so long as, but only to the extent that, such Settling Talc Insurance Company complies fully with its obligations under any applicable Talc Insurance Buyback Agreement.

(c) Reservations. Notwithstanding anything to the contrary above, this Insurance Entity Injunction shall not enjoin:

(i) the rights of Entities to the treatment accorded them under the Plan, as applicable, including the rights of holders of Talc Personal Injury Claims to assert such Claims, as applicable, in accordance with the Trust Distribution Procedures;

(ii) *the rights of Entities to assert any claim, debt, obligation, cause of action or liability for payment of Talc Personal Injury Trust Expenses against the Talc Personal Injury Trust;*

(iii) *the rights of the Talc Personal Injury Trust to prosecute any action based on or arising from the Talc Insurance Policies;*

(iv) *the rights of the Talc Personal Injury Trust to assert any claim, debt, obligation, cause of action or liability for payment against a Talc Insurance Company based on or arising from the Talc Insurance Policies or Talc Insurance Settlement Agreements; and*

(v) *the rights of any Talc Insurance Company to assert any claim, debt, obligation, cause of action or liability for payment against any other Talc Insurance Company that is not a Settling Talc Insurance Company, or as otherwise specifically provided in any Talc Insurance Settlement Agreement.*

(e) *Supplemental Settlement Injunction Order*

In order to preserve and promote the Imerys Settlement, which is incorporated in the Plan, and pursuant to the exercise of the equitable jurisdiction and power of the Bankruptcy Court under section 105(a) of the Bankruptcy Code, the Confirmation Order shall provide for the following permanent injunction to take effect as of the Effective Date.

(a) *Terms. All Persons that have held or asserted, that hold or assert, or that may in the future hold or assert any Imerys Released Claims directly or indirectly against the Imerys Protected Parties (or any of them) shall be permanently stayed, restrained, and enjoined from pursuing now, or at any time in the future, any Imerys Released Claims.*

(b) *Any Imerys Protected Party may enforce the Supplemental Settlement Injunction Order as a defense to any Claim brought against such Imerys Protected Party that is enjoined under the Plan as to such Imerys Protected Party and may seek to enforce such injunction in a court of competent jurisdiction.*

(f) *Exculpation.*

None of the Debtors, the Reorganized Debtors, the Imerys Protected Parties, the Tort Claimants' Committee, the members of the Tort Claimants' Committee in their capacities as such, the FCR, the Information Officer nor any of their respective officers, directors and employees, members, agents, attorneys, accountants, financial advisors or restructuring professionals, nor any other professional Person employed by any one of them, shall have or incur any liability to any Person or Entity for any act or omission in connection with, relating to, or arising out of the Chapter 11 Cases, the negotiation of the Plan, the Disclosure Statement, the releases and Injunctions, the pursuit of Confirmation of the Plan, the administration, consummation and implementation of the Plan or the property to be distributed under the Plan, or the management or operation of the Debtors (except for any liability that results primarily

from such Person's or Entity's gross negligence, bad faith or willful misconduct); provided, however, that this exculpation shall not apply to Talc Insurer Coverage Defenses; provided further that Section 12.7 of the Plan shall also apply to any former officer or director of the Debtors that was an officer or director at any time during the Chapter 11 Cases but is no longer an officer or director. In all respects, each and all of such Persons, firms and Entities shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under, or in connection with, the Chapter 11 Cases, the Plan, and the administration of each of them.

ARTICLE VIII.

THE TALC PERSONAL INJURY TRUST AND TRUST DISTRIBUTION PROCEDURES

On the Effective Date, the Talc Personal Injury Trust shall be created in accordance with the Plan Documents. The purposes of the Talc Personal Injury Trust shall be to assume all Talc Personal Injury Claims and to use the Talc Personal Injury Trust Assets and, among other things: (a) to preserve, hold, manage, and maximize the assets of Talc Personal Injury Trust; and (b) to direct the processing, liquidation, and payment of all compensable Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents. The Talc Personal Injury Trust will resolve Talc Personal Injury Claims in accordance with the Talc Personal Injury Trust Documents in such a way that holders of Talc Personal Injury Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims, and otherwise comply in all respects with the requirements of section 524(g)(2)(B)(i) of the Bankruptcy Code.

The Trust Distribution Procedures, which shall be attached to the Plan as Exhibit A, set forth procedures for processing and paying the Talc Personal Injury Claims. These procedures will be binding on the holders of all Talc Personal Injury Claims. The Trust Distribution Procedures provide, among other things, for the resolution of Talc Personal Injury Claims pursuant to the terms of the Talc Personal Injury Trust Agreement and the Trust Distribution Procedures, and that resolution of a Talc Personal Injury Claim by the Talc Personal Injury Trust will result in a full or partial release of such Claim against the Talc Personal Injury Trust in accordance with the Injury Trust Distribution Procedures.

ARTICLE IX.

CERTAIN FACTORS TO BE CONSIDERED

HOLDERS OF CLAIMS AGAINST THE DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND THE DOCUMENTS DELIVERED TOGETHER HERewith OR INCORPORATED BY REFERENCE, PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION.

9.1 Variance from Financial Projections

The summarized financial projections contained in Exhibit B are dependent upon numerous assumptions, including confirmation and consummation of the Plan in accordance with its terms, the anticipated future performance of the Reorganized Debtors, general business and economic conditions, and other matters, many of which are beyond the control of the Plan Proponents. Accordingly, there can be no assurance that such assumptions will prove to be valid. In addition, unanticipated and unforeseeable events and/or circumstances occurring subsequent to the preparation of the financial projections may affect the actual financial results of the Reorganized Debtors. Although the Debtors believe that the financial projections contained in Exhibit B are reasonable and attainable, some or all of the estimates will vary, and variations between the actual financial results and those projected may be material.

9.2 Failure to Confirm the Plan

Section 1129 of the Bankruptcy Code requires, among other things, a showing that confirmation of the plan will not be followed by liquidation or the need for further financial reorganization of the Debtors, and that the value of distributions to dissenting holders of Claims and Equity Interests may not be less than the value such holders would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Although the Plan Proponents believe that the Plan will meet these tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

The Bankruptcy Code also requires that a Plan must provide the same treatment for each claim or interest in a particular class, unless a holder agrees to a less favorable treatment of its particular claim or interest. The Plan Proponents believe that they have complied with the requirements of the Bankruptcy Code by their classification and treatment of various holders of Claims and Equity Interests under the Plan. However, if a member of a Class objects to its treatment or if the Bankruptcy Court finds that the Plan does not comply with the requirements of the Bankruptcy Code, confirmation of the Plan could be delayed or prevented. In addition, each Impaired Class that will (or may) be entitled to receive property under the Plan will have the opportunity to vote to accept or reject the Plan.

Further, section 1122 of the Bankruptcy Code provides that a plan may place a claim or interest in a particular class only if the claim or interest is substantially similar to the other claims or interests in that class. The Plan Proponents believe that the classification of Claims and Equity Interests under the Plan complies with the requirements of the Bankruptcy Code because the Classes established under the Plan each encompass Claims or Equity Interests that are substantially similar to similarly classified Claims or Equity Interests. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

9.3 Non-Occurrence of the Effective Date

The Plan provides that there are several conditions precedent to the occurrence of the Effective Date. The Plan Proponents cannot assure you as to the timing of the Effective Date. If the conditions precedent to the Effective Date have not been satisfied or waived, the Bankruptcy Court may vacate the Confirmation Order. In that event, the Plan would be deemed null and void

and the Plan Proponents may propose or solicit votes on an alternative reorganization plan that may not be as favorable to parties in interest as the Plan.

9.4 The Recovery to Holders of Allowed Claims and Equity Interests Cannot Be Stated with Absolute Certainty

Due to the inherent uncertainties associated with projecting financial results and litigation outcomes, the projections contained in this Disclosure Statement should not be considered assurances or guarantees of the amount of funds or the amount of Claims that may be Allowed in the various Classes. While the Plan Proponents believe that the financial projections contained in this Disclosure Statement are reasonable, there can be no assurance that they will be realized. Also, because the Liquidation Analysis (as defined below), distribution projections, and other information contained herein and attached hereto are estimates only, the timing and amount of actual distributions to holders of Allowed Claims and Equity Interests, if applicable, may be affected by many factors that cannot be predicted.

The Claims estimates set forth herein are based on various assumptions. The actual amounts of Allowed Claims may differ significantly from those estimates should one or more underlying assumption prove to be incorrect. Such differences may adversely affect the percentage of recovery to holders of Allowed Claims and Equity Interests, if applicable, under the Plan. Moreover, the estimated recoveries set forth herein are necessarily based on numerous assumptions, the realization of many of which are beyond the Debtors' control.

9.5 The Allowed Amount of Claims May Differ From Current Estimates

There can be no assurance that the estimated Claim amounts set forth herein are correct, and the actual amount of Allowed Claims may differ from the estimates. The estimated amounts are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the actual amount of Allowed Claims may vary from those estimated in this Disclosure Statement. Furthermore, a number of additional Claims may be filed, including on account of rejection damages for Executory Contracts and Unexpired Leases rejected pursuant to the Plan. Any such claims may result in a greater amount of Allowed Claims than estimated in this Disclosure Statement.

9.6 The Debtors May Object to the Amount or Classification of a Claim

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any holder of a Claim where such Claim is subject to an objection. Any holder of a Claim that is subject to an objection may therefore not receive its expected share of the estimated distributions described in this Disclosure Statement.

9.7 Parties in Interest May Object to the Debtors' Classification of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an interest in a particular class only if the claim or interest is substantially similar to the other claims or interests in that class. The Debtors believe that the classification of Claims and Equity Interests under the Plan complies with the requirements of the Bankruptcy Code because the Classes

established under the Plan each encompass Claims or Equity Interests that are substantially similar to similarly classified Claims or Equity Interests. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

9.8 Appointment of [a] Different Talc Trustee[s] and/or Different Members of the Talc Trust Advisory Committee for the Talc Personal Injury Trust

Prior to the Confirmation Hearing, the Talc Personal Injury Trust Agreement shall (i) identify one or more individuals as the initial Talc Trustee[s] of the Talc Personal Injury Trust and (ii) propose certain individuals as the initial members of the Talc Trust Advisory Committee. The Bankruptcy Court, however, may reject or otherwise decline to approve the appointment of such proposed Talc Trustee[s], or one or more of the proposed members of the Talc Trust Advisory Committee. In that case, an alternate Talc Trustee[s] and/or alternative proposed members of the Talc Trust Advisory Committee would have to be nominated, potentially resulting in significant delays in the occurrence of the Confirmation Date and Effective Date. The selection of a different Talc Trustee[s] or different Talc Trust Advisory Committee Members also could materially affect administration of the Talc Personal Injury Trust.

9.9 Distributions under the Trust Distribution Procedures

Talc Personal Injury Claims will be resolved pursuant to the Talc Personal Injury Trust Documents, based on, among other things, estimates of the number, types, and amount of Talc Personal Injury Claims, the value of the assets of the Talc Personal Injury Trust, the liquidity of the Talc Personal Injury Trust, the Talc Personal Injury Trust's expected future income and expenses, and other matters. There can be no certainty as to the precise amounts that will be distributed by the Talc Personal Injury Trust in any particular time period or when Talc Personal Injury Claims will be resolved by the Talc Personal Injury Trust.

9.10 The Channeling Injunction

The Channeling Injunction, which, among other things, bars the assertion of any Talc Personal Injury Claims against the Protected Parties, is a necessary element of the Plan. Although the Plan, the Talc Personal Injury Trust Agreement, and the Trust Distribution Procedures all have been drafted with the intention of complying with sections 524(g) and (h) of the Bankruptcy Code, and satisfaction of the conditions imposed by sections 524(g) and (h) is a condition precedent to confirmation of the Plan, there is no guarantee that the validity and enforceability of the Channeling Injunction or sections 524(g) and (h) or the application of the Channeling Injunction to Talc Personal Injury Claims will not be challenged, either before or after confirmation of the Plan.

9.11 Voting Requirements

If sufficient votes are received to enable the Bankruptcy Court to confirm the Plan pursuant to both sections 524(g) and 1129 of the Bankruptcy Code, ITI intends to file for chapter 11 relief and the Debtors intend to seek, as promptly as practicable thereafter, Confirmation. If sufficient votes are not received, the Debtors may seek to confirm an alternative chapter 11 plan. There can be no assurance that the terms of any such alternative chapter 11 plan would be similar or as favorable to the holders of Allowed Claims as those proposed in the Plan.

9.12 The Debtors' Operations and Ability to Consummate a Sale May be Impacted by the Continuing COVID-19 Pandemic

The continued spread of COVID-19 could have a significant impact on the Debtors' businesses, both in the context of consumer demand and production capacity. This pandemic could dampen global growth and ultimately lead to an economic recession. Such a scenario would negatively impact the Debtors' financial performance, and affect the underlying financial projections contained in Exhibit B. In addition, the Debtors' ability to monetize the North American Debtors' assets in the Sale is subject to physical and economic uncertainties that have arisen as a result of the spread of COVID-19. Given negative impacts on global economies, the contemplated sale process may result in fewer actionable bids for the North American Debtors' assets than would have been expected prior to the COVID-19 pandemic.

9.13 The Canadian Court May Not Enter an Order Recognizing the Confirmation Order

ITC's exit from bankruptcy protection will depend on, among other things, the Canadian Court's entry of a Canadian confirmation order recognizing the treatment of Claims and Equity Interests under the Plan. The Plan Proponents believe that if the Confirmation Order is granted, the Canadian Court will likely grant the Canadian confirmation order recognizing the Confirmation Order.

ARTICLE X.

VOTING PROCEDURES AND REQUIREMENTS

10.1 Voting Procedures Summary⁴⁴

The following section describes in summary fashion the procedures and requirements that have been established for voting on the Plan. Those procedures and requirements establish, among other things, the place to send completed ballots, in the forms approved by the Bankruptcy Court in the Voting Procedures Order, used in voting on the Plan (each, a "**Ballot**"), together with the deadline for returning completed Ballots for voting on the Plan and the deadline for objecting to the Plan. The Debtors have distributed Solicitation Packages in connection with the foregoing containing:

- (a) a cover letter describing the contents of the Solicitation Package and the enclosed USB flash drive (described below), and instructions for obtaining (free of charge) printed copies of the materials provided in electronic format;
- (b) the Confirmation Hearing Notice;

⁴⁴ Capitalized terms used but not defined in this Article X have the meanings ascribed to them in the Voting Procedures Order.

- (c) a USB flash drive containing a copy of this Disclosure Statement with all exhibits, including the Plan with its exhibits (to the extent such exhibits were filed with the Bankruptcy Court before the Solicitation Date);
- (d) the Voting Procedures Order (without exhibits), which, among other things, approves this Disclosure Statement as containing adequate information, establishes the voting procedures (the “**Voting Procedures**”), schedules the Confirmation Hearing, and sets the voting deadline and the deadline for objecting to confirmation of the Plan;
- (e) solely for holders of Talc Personal Injury Claims, an appropriate Ballot and voting instructions for the same;
- (f) solely for holders of Talc Personal Injury Claims, a pre-addressed, return envelope for completed Ballots; and
- (g) solely for holders of Talc Personal Injury Claims, a letter from the Tort Claimants’ Committee and the FCR urging such claimants to vote to accept the Plan.

The Voting Procedures Order, the Voting Procedures, the Confirmation Hearing Notice, and the instructions attached to your Ballot should be read in connection with this Section of this Disclosure Statement as they set forth the Voting Procedures and deadlines in detail. If you are a holder of a Claim who is entitled to vote on the Plan and you or your attorney did not receive a Ballot, received a damaged Ballot, or lost your Ballot, please contact the Solicitation Agent (i) by telephone at (844) 339-4096 (Toll Free) or (929) 247-2932 (International); (ii) by e-mail at imerysb ballots@primeclerk.com; (iii) by visiting their website at <https://cases.primeclerk.com/imerystalc>; or (iv) by writing at Imerys Ballot Processing Center, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165.

The Voting Procedures set forth a process by which attorneys representing holders of Direct Talc Personal Injury Claims, as listed on the Schedules (collectively, the “**Firms**”), will receive copies of the Direct Talc Personal Injury Claim Solicitation Notice and the Certified Plan Solicitation Directive. The Direct Talc Personal Injury Claim Solicitation Notice will notify the Firms of the options proposed for soliciting votes on the Plan in respect of Direct Talc Personal Injury Claims and request that each Firm complete and return the Certified Plan Solicitation Directive to the Solicitation Agent on or before a date not more than 17 calendar days after the Solicitation Date.

The Certified Plan Solicitation Directive permits each Firm to direct the Solicitation Agent with regard to the solicitation of votes on the Plan from individuals, estates, or Entities who or which hold Direct Talc Personal Injury Claims (collectively, the “**Clients**”) according to one of the following procedures:

- (a) **Master Ballot Solicitation Method.** If a Firm certifies that it has the authority under applicable law to vote on behalf of its Clients, the Firm may direct the Solicitation Agent to serve the Firm with one Solicitation Package and one Master Ballot on which the Firm must record the votes on the Plan for each of its Clients. If the Firm

elects this procedure, the Firm may also request that, for informational purposes, the Solicitation Agent serve Solicitation Packages (without a Ballot) on its Clients, together with a cover letter to be provided by the Firm.

- (b) Direct Solicitation Method. If a Firm does not have the authority to vote on behalf of its Clients, or if a Firm prefers to have each of its Clients cast their own votes on the Plan, such Firm may direct the Solicitation Agent to solicit votes on the Plan directly from its Clients, and may provide the Solicitation Agent with a cover letter to be transmitted to such Clients in connection with such solicitation.
- (c) Indirect Solicitation Method. If a Firm does not have the authority to vote on behalf of its Clients or the attorney prefers to have the Clients cast their own votes on the Plan, the attorney may direct the Solicitation Agent to deliver the Solicitation Packages to the Firm, which will, in turn, deliver the Solicitation Packages to its Clients. If the Firm selects this method: (i) the Solicitation Agent will cause the requested number of Solicitation Packages, including appropriate Ballots, to be served on the Firm; (ii) the Firm must deliver the Solicitation Packages to the Clients within three Business Days after receipt; and (iii) the Firm must file an affidavit of service with the Court, and send a copy of such affidavit to the Solicitation Agent, within three Business Days of such service. The Firms will not be required to list the names and addresses of the Clients served on the affidavit of service. The affidavit of service only needs to state that service was completed, the date(s) that service was completed and the attorney has provided or will provide the Solicitation Agent with the required lists of Clients, as described in the Solicitation Procedures.
- (d) Hybrid Solicitation Method. If a Firm certifies that it has the authority under applicable law to vote, and intends to exercise that power, only for certain of the Clients (collectively, the “Master Ballot Clients”), the Firm may direct the Solicitation Agent to serve the Firm with one Solicitation Package and one Master Ballot on which the Firm must record the votes with respect to the Plan for the Master Ballot Clients. The Firm also may request that, for informational purposes, the Solicitation Agent serve Solicitation Packages (without a Ballot) on the Master Ballot Clients, together with a cover letter to be provided by the Firm. With respect to such Firm’s other Clients that are not Master Ballot Clients (collectively, the “Individual Ballot Clients”), the Firm must elect the procedure under either the Direct Solicitation Method (subsection (b) above) or the Indirect Solicitation Method (subsection (c) above).

If you are entitled to vote on the Plan, a form of Ballot for your Claim has been provided to you, unless otherwise provided to a Firm, as contemplated by the Certified Plan Solicitation Directive. Holders of Talc Personal Injury Claims or their attorneys, as applicable, should have received a Class 4 Ballot (relating to Talc Personal Injury Claims). The Plan Proponents have prepared, and the Bankruptcy Court has approved the Voting Procedures. You should refer to the Voting Procedures sent with this Disclosure Statement to determine precisely those procedures that apply with respect to the return of your Ballot.

Completed and signed Ballots can be submitted (i) by mail using the envelope included in the Solicitation Package, or by hand delivery or overnight courier to: Imerys Ballot Processing Center, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165 or (ii) through the E-Ballot platform, by visiting <https://cases.primeclerk.com/ImerysTalc/>, clicking on the “Submit E-Ballot” section of the website, and following the instructions. As set forth in the Voting Procedures, no other forms of electronic delivery of Ballots, *e.g.*, facsimile, will be accepted.

10.2 Voting Deadline

TO BE CONSIDERED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN, ALL BALLOTS MUST BE **RECEIVED BY THE SOLICITATION AGENT NO LATER THAN THE VOTING DEADLINE OF 4:00 P.M. (PREVAILING EASTERN TIME) ON [SEPTEMBER 3], 2020. ONLY THOSE BALLOTS ACTUALLY RECEIVED BY THE SOLICITATION AGENT BEFORE THE VOTING DEADLINE WILL BE COUNTED AS EITHER ACCEPTING OR REJECTING THE PLAN.**

10.3 Holders of Claims Entitled to Vote

Under section 1124 of the Bankruptcy Code, a class of claims or equity interests is deemed to be “impaired” under a plan unless (a) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or equity interest entitles the holder thereof, or (b) notwithstanding any legal right to an accelerated payment of such claim or equity interest, the plan: (1) cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy); (2) reinstates the maturity of such claim or equity interest as it existed before the default; (3) compensates the holder of such claim or equity interest for any damages from such holder’s reasonable reliance on such legal right to an accelerated payment; and (4) does not otherwise alter the legal, equitable or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

Holders of claims and equity interests in impaired classes are generally entitled to vote to accept or reject a plan. However, if the holder of an impaired claim or equity interest will not receive any distribution under the plan in respect of such claim or equity interest, the Bankruptcy Code deems such holder to have rejected the plan (unless such holder has agreed to such treatment) and provides that the holder of such claim or equity interest is not entitled to vote. If the claim or equity interest is not impaired, the Bankruptcy Code conclusively presumes that the holder of such claim or equity interest has accepted the plan and provides that the holder is not entitled to vote.

Class 4 is Impaired by the Plan and is the only Class entitled to vote on the Plan. All other Classes are either Unimpaired or Impaired but are Plan Proponents and voluntarily agreed to waive any right to vote on or oppose the Plan.

10.4 Vote Required for Acceptance by a Class

Pursuant to sections 1126(c) and 524(g)(2)(B)(ii)(IV)(bb) of the Bankruptcy Code, Class 4 (Talc Personal Injury Claims) shall have accepted the Plan only if at least two-thirds (2/3) in amount and seventy-five percent (75%) in number of Talc Personal Injury Claims actually voting on the Plan have voted to accept the Plan in accordance with the Voting Procedures Order.

10.5 Voting Procedures

(a) *Ballots*

All votes to accept or reject the Plan with respect to Class 4 must be cast by properly submitting the duly completed and executed form of Ballot designated for such Claims. Holders of Claims in Class 4 or their attorneys (as applicable) voting on the Plan should complete and sign the appropriate Ballot in accordance with the instructions thereon, being sure to check the appropriate box entitled “Accept” the Plan or “Reject” the Plan. In addition, if any holder of a Claim elects not to grant the releases set forth in Article XII of the Plan, then it should check the appropriate box on its Ballot and follow the instructions contained in the Ballot.

AS SET FORTH IN THE VOTING PROCEDURES, IMPROPERLY COMPLETED BALLOTS WILL NOT BE COUNTED. BY WAY OF EXAMPLE AND NOT LIMITATION, ANY BALLOT RECEIVED WHICH IS NOT SIGNED OR WHICH CONTAINS INSUFFICIENT INFORMATION TO PERMIT THE IDENTIFICATION OF THE CLAIMANT WILL BE AN INVALID BALLOT AND WILL NOT BE COUNTED FOR PURPOSES OF DETERMINING ACCEPTANCE OR REJECTION OF THE PLAN.

Ballots must be delivered to the Solicitation Agent, at its address set forth above in Section 10.1, or submitted via electronic, online transmission through a customized electronic Ballot by utilizing the E-Ballot platform on the Solicitation Agent’s website <https://cases.primeclerk.com/imerystalc>, and received by the Voting Deadline. THE METHOD OF SUCH DELIVERY IS AT THE ELECTION AND RISK OF THE VOTER. Although the method of delivery is at the risk of the voter, for the convenience of each holder of a Talc Personal Injury Claim entitled to vote on the Plan or such holder’s attorney, as applicable and in accordance with the Certified Plan Solicitation Directive, the Solicitation Package contains a pre-stamped and addressed envelope for return of such holder’s Ballot by first class mail through the United States Postal Service. If such delivery is by mail, it is recommended that voters use an air courier with a guaranteed next day delivery or registered mail, properly insured, with return receipt requested. In all cases, sufficient time should be allowed to ensure timely delivery. Instructions for casting an electronic Ballot can be found on the “E-Ballot” section of the Solicitation Agent’s website <https://cases.primeclerk.com/imerystalc> by clicking on the “Submit E-Ballot” section of the website.

IF YOU ARE ENTITLED TO VOTE AND YOU OR YOUR ATTORNEY (AS APPLICABLE) DID NOT RECEIVE A BALLOT, RECEIVED A DAMAGED BALLOT OR LOST YOUR BALLOT, PLEASE CONTACT THE SOLICITATION AGENT IN THE MANNER SET FORTH ABOVE. FOR ADDITIONAL INFORMATION REGARDING THE VOTING PROCESS, PLEASE REFER TO THE VOTING PROCEDURES ORDER, THE VOTING PROCEDURES, THE CONFIRMATION HEARING NOTICE, AND THE INSTRUCTIONS ATTACHED TO YOUR BALLOT (TO THE EXTENT A BALLOT WAS NOT OTHERWISE RECEIVED BY YOUR ATTORNEY PURSUANT TO THE CERTIFIED PLAN SOLICITATION DIRECTIVE).

PLEASE REFER TO THE VOTING PROCEDURES AND VOTING PROCEDURES ORDER FOR MORE INFORMATION REGARDING THE VOTING OF TALC PERSONAL INJURY CLAIMS.

(b) *Withdrawal of Votes and Multiple Votes on the Plan*

Any voter that delivers a valid Ballot may withdraw his, her, or its vote by delivering a written notice of withdrawal to the Solicitation Agent before the Voting Deadline or such later date as agreed by the Debtors in their sole discretion. To be valid, the notice of withdrawal must be signed by the party who signed the Ballot to be revoked. The Debtors reserve the right to contest any withdrawals.

In addition, the following procedures for voting will be used by the Debtors to address multiple Ballots.

- If multiple Ballots are received from different holders purporting to hold the same Claim, in the absence of contrary information establishing which claimant held such Claim as of the Voting Deadline, the latest-dated otherwise valid Ballot that is received before the Voting Deadline (or such later date as agreed by the Debtors with the consent of the Plan Proponents, with such consent not to be unreasonably withheld) will be the Ballot that is counted.
- If multiple Ballots are received from the holder of a Claim **and** someone purporting to be his, her, or its attorney or agent, the Ballot received from the holder of the Claim will be the Ballot that is counted, and the vote of the purported attorney or agent will not be counted.
- If multiple Ballots are received from a holder of a Claim for the same Claim, the latest-dated otherwise valid Ballot that is received before the Voting Deadline (or such later date as agreed by the Debtors with the consent of the Plan Proponents, with such consent not to be unreasonably withheld) will be the Ballot that is counted as a vote to accept or reject the Plan; if multiple Ballots are received from an attorney or agent with respect to the same Claim (but not from the holder thereof), the latest-dated otherwise valid Ballot that is received before the Voting Deadline (or such later date as agreed by the Debtors with the consent of the Plan Proponents, with such consent not to be unreasonably withheld) will be the Ballot that is counted as a vote to accept or reject the Plan.

Finally, if two or more Master Ballots are received from separate attorneys, each of whom purports to represent the same holder of a Claim, the vote of the holder appearing on both Master Ballots will be counted only once and only if such votes are consistent with respect to acceptance or rejection of the Plan. In the event that the votes are not consistent, none of the votes will be counted.

The Debtors will not be obligated to recognize any withdrawal, revocation, or change of any vote received after the Voting Deadline (or such later date as agreed by the Debtors with the consent of the Plan Proponents, with such consent not to be unreasonably withheld).

ARTICLE XI.

CONFIRMATION OF THE PLAN

Under the Bankruptcy Code, the following steps must be taken to confirm the Plan:

11.1 Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a plan of reorganization. By order of the Bankruptcy Court, the Confirmation Hearing is scheduled for [October 21], 2020 at [10:00] a.m. (Prevailing Eastern Time) before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge for the District of Delaware, in the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 6th Floor, Wilmington, Delaware 19801. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any subsequently adjourned Confirmation Hearing.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan of reorganization. Any objection to confirmation of the Plan must be filed with the Bankruptcy Court no later than **[September 18], 2020 at [4:00 p.m.] (Prevailing Eastern Time)**, and will be governed by Bankruptcy Rules 3020(b) and 9014 and the Local Rules. **UNLESS AN OBJECTION IS TIMELY AND PROPERLY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.**

11.2 Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation are that the Plan (a) is accepted by all Impaired Classes of Claims and Equity Interests, or, if rejected by an Impaired Class, that the Plan “does not discriminate unfairly” and is “fair and equitable” as to such Class; (b) is feasible; and (c) is in the “best interests” of holders of Claims and Interests that are Impaired under the Plan.

(a) *Acceptance*

Class 4 is Impaired under the Plan, and the holders of Claims in such Class are entitled to vote on the Plan. Therefore, such Class must accept the Plan in order for it to be confirmed without application of the “fair and equitable test,” described below, to such Class. Classes 5a and 6 are Impaired under the Plan, but are presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code because all holders of Claims or Equity Interests (as applicable) in Classes 5a and 6 are Plan Proponents and have consented to their treatment under the Plan.

Classes 1, 2, 3a, 3b, 5b, and 7 are Unimpaired under the Plan and are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Accordingly, confirmation of the Plan will not require application of the “fair and equitable test,” described below, as to those Classes.

(b) *Issuance of Injunction Pursuant to Sections 524(g) and 105(a) of the Bankruptcy Code*

The Bankruptcy Court shall be asked to issue the Channeling Injunction if the Plan has been accepted by at least two-thirds (2/3) in amount of those holders of Class 4 Claims actually voting on the Plan, in accordance with section 1126(c) of the Bankruptcy Code, and seventy-five percent (75%) in number of those holders of Class 4 Claims actually voting on the Plan, in accordance with section 524(g)(2)(B)(ii)(IV)(bb) of the Bankruptcy Code. The amount of the Claim for each Class 4 Claim holder for voting purposes shall be as set forth in the Voting Procedures Order.

If the Bankruptcy Court or the District Court does not enter the Channeling Injunction, the Effective Date shall not occur.

(c) *Feasibility*

The Bankruptcy Code also requires as a condition to confirmation of a plan of reorganization that the confirmation of the plan is not likely to be followed by the liquidation or the need for further financial reorganization of the reorganized debtor. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan. The Plan Proponents believe that the Reorganized Debtors will be able to make all payments required pursuant to the Plan, and therefore, that confirmation of the Plan is not likely to be followed by the need for further reorganization.

To support their belief in the feasibility of the Plan, the Plan Proponents have relied upon the financial projections, attached hereto as Exhibit B.⁴⁵ The financial projections indicate that the Reorganized Debtors should have sufficient Cash prior to the Effective Date to fund the Reserves and adequate cash flow post-Effective Date to fund operations, as applicable. Accordingly, the Plan Proponents believe that the Plan complies with the financial feasibility standard of section 1129(a)(11) of the Bankruptcy Code.

The financial projections are based on various assumptions, including Confirmation of the Plan in accordance with its terms, no material adverse changes in general business and economic conditions, and other matters, some of which will be beyond the control of the Reorganized Debtors. The financial projections should be read in conjunction with Article IX above, entitled "*Certain Factors to be Considered*," and with the assumptions, qualifications and footnotes to the tables containing the Financial Projections set forth in Exhibit B.

(d) *"Best Interests" Test / Liquidation Analysis*

The "Best Interests Test" under section 1129 of the Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each holder of Impaired claims or Impaired equity interests either (a) accept the Plan or (b) receive property with a value not less than the amount such holder would receive in a chapter 7 liquidation. As reflected in the analysis

⁴⁵ The financial projections for the Reorganized Debtors will be filed prior to June 12, 2020, the proposed deadline to object to this Disclosure Statement.

attached hereto as Exhibit C (the “**Liquidation Analysis**”), the Plan Proponents believe that under the Plan, holders of Impaired Claims and Impaired Equity Interests will receive property with a value equal to or in excess of the value such holders would receive in a liquidation of the Debtors under chapter 7 of the Bankruptcy Code.

One Class of Claims or Equity Interests (other than Non-Debtor Intercompany Claims and Equity Interests in the North American Debtors) is Impaired under the Plan: Talc Personal Injury Claims (Class 4). The holders of Talc Personal Injury Claims, as the only Class voting under the Plan, must accept the Plan in order for the Plan to be confirmed, thereby satisfying clause (a) above. Holders of Non-Debtor Intercompany Claims (Class 5a) and Equity Interests in the North American Debtors (Class 6) have consented to their treatment under the Plan as Plan Proponents and are presumed to accept the Plan pursuant to section 1126(f).

The Debtors have prepared the attached Liquidation Analysis to demonstrate the Plan’s compliance with the provisions of section 1129(a)(7) of the Bankruptcy Code. The Liquidation Analysis is based upon a number of reasonable assumptions that, ultimately, are subject to significant uncertainties and contingencies. The Plan Proponents cannot assure you that these assumptions would be accepted by a Bankruptcy Court. **ACTUAL LIQUIDATION PROCEEDS COULD BE MATERIALLY LOWER OR HIGHER THAN THE AMOUNTS SET FORTH BELOW. NO REPRESENTATION OR WARRANTY CAN OR IS BEING MADE WITH RESPECT TO THE ACTUAL PROCEEDS THAT COULD BE RECEIVED IN A CHAPTER 7 LIQUIDATION OF THE DEBTORS. THE LIQUIDATION VALUATIONS HAVE BEEN PREPARED SOLELY FOR PURPOSES OF ESTIMATING PROCEEDS AVAILABLE IN A CHAPTER 7 LIQUIDATION OF THE ESTATES AND DO NOT REPRESENT VALUES THAT MAY BE APPROPRIATE FOR ANY OTHER PURPOSE. NOTHING CONTAINED IN THESE VALUATIONS IS INTENDED TO OR MAY BE ASSERTED TO CONSTITUTE A CONCESSION OR ADMISSION OF THE PLAN PROPONENTS FOR ANY OTHER PURPOSE.**

Here, the Plan is in the best interests of the Debtors’ creditors (including holders of Talc Personal Injury Claims), and meets the requirements of section 1129(a)(7) of the Bankruptcy Code. The Plan Proponents 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 the Imerys Contribution. Moreover, the Plan is the result of an extensively negotiated settlement, which avoids costly litigation that would deplete the funds available for creditors. The Tort Claimants’ Committee and the FCR negotiated the Imerys Settlement and support Confirmation of the Plan, which incorporates the terms of the settlement. These factors, among others, demonstrate that the Plan provides greater recoveries to creditors 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. Based on the Liquidation Analysis, the Debtors believe that holders of Claims and Equity Interests will receive equal or greater value as of the Effective Date than such holders would receive in a chapter 7 liquidation.

Accordingly, the Plan Proponents believe that confirmation of the Plan will provide creditors in the Impaired Classes with value that is not less than (and, in certain cases, substantially greater than) the amount that such holder would so receive or retain if the Debtors were liquidated under chapter 7. The Plan meets the “best interests” test.

ARTICLE XII.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed and consummated, alternatives to the Plan include: (a) continuation in chapter 11 and formulation of an alternative plan or plans of reorganization, or (b) liquidation of the Debtors under chapter 7 of the Bankruptcy Code. Each of these possibilities is discussed in turn below.

12.1 Alternative Plan of Reorganization

The Plan is the product of extensive negotiations among the Plan Proponents, and reflects a balance of the respective interests held by the parties. If the Plan is not confirmed, the Debtors or any other party in interest (upon the expiration of the Debtors' exclusivity period) could attempt to formulate a different plan of reorganization. During the negotiations prior to the filing of the Plan, however, the Plan Proponents explored various alternatives to the Plan and believe that the Plan enables the Reorganized Debtors to emerge from the Chapter 11 Cases more successfully and expeditiously than any alternative plan, while preserving and maximizing the Debtors' assets, and allowing claimants of the Debtors to realize the highest recoveries under the circumstances.

12.2 Liquidation under Chapter 7

If the Plan is not confirmed, the Debtors' Chapter 11 Cases could be converted to liquidation cases under chapter 7 of the Bankruptcy Code. In chapter 7, a trustee would be appointed to promptly liquidate the assets of the Debtors.

As described above in the Liquidation Analysis, the Plan Proponents believe that a liquidation under chapter 7 would result in a substantial diminution in the value of the Debtors' Estates. The Debtors further believe that it is likely that distributions in a chapter 7 liquidation would not occur for a substantial time, primarily due to, among other things, the time required to liquidate the Debtors' insurance-related assets.

ARTICLE XIII.

CERTAIN TAX CONSEQUENCES OF THE PLAN

The following discussion summarizes certain U.S. federal income tax consequences expected to result from the consummation of the Plan. This discussion is only for general information purposes and only describes the expected tax consequences to holders of Talc Personal Injury Claims. It is not a complete analysis of all potential federal income tax consequences and does not address any tax consequences arising under any state, local or foreign tax laws or federal estate or gift tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended (the "**IRC**" or "**Tax Code**"), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the "**IRS**"), all as in effect on the date of this Disclosure Statement. These authorities may change, possibly retroactively, resulting in federal income tax consequences different from those discussed below. No ruling has been or will be sought from the IRS, and no legal opinion of counsel will be rendered, with respect to the matters discussed below. There can be no assurance that the IRS will not take

a contrary position regarding the federal income tax consequences resulting from the consummation of the Plan or that any contrary position would not be sustained by a court.

This discussion does not address all federal income tax considerations that may be relevant to a particular holder in light of that holder's particular circumstances. In addition, it does not address considerations relevant to holders subject to special rules under the federal income tax laws, such as holders subject to the alternative minimum tax, holders who utilize installment method reporting with respect to their Claims, non-U.S. holders and U.S. holders who have a functional currency other than the U.S. dollar. This discussion also does not address the U.S. federal income tax consequences to holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full under the Plan, or (b) that are deemed to accept or deemed to reject the Plan. Additionally, this discussion does not address any consideration being received other than in a person's capacity as a holder of a Claim.

HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE CONSUMMATION OF THE PLAN AND THE RECEIPT OF AMOUNTS FROM THE TALC PERSONAL INJURY TRUST, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS, OR ANY OTHER FEDERAL TAX LAWS. THE DEBTORS AND THE REORGANIZED DEBTORS SHALL NOT BE LIABLE TO ANY PERSON WITH RESPECT TO THE TAX LIABILITY OF A HOLDER OR ITS AFFILIATES.

13.1 Tax Consequences to the Debtors

(a) *Treatment of the Talc Personal Injury Trust*

It is anticipated that the Talc Personal Injury Trust will be a "qualified settlement fund" within the meaning of the Treasury Regulations promulgated under Section 468B of the Tax Code. Such Treasury Regulations provide that a fund, account, or trust will be a qualified settlement fund if three conditions are met. First, the fund, account, or trust must be established pursuant to an order of or be approved by a government authority, including a court, and must be subject to the continuing jurisdiction of that government authority. A court order giving preliminary approval to a fund, account, or trust will satisfy this requirement even though the order is subject to review or revision. Second, the fund, account, or trust must be established to resolve or satisfy one or more contested or uncontested claims that have resulted or may result from an event (or related series of events) that has occurred and that has given rise to at least one claim asserting liability arising, among other things, out of a tort. Third, the fund, account, or trust must be a trust under applicable state law or have its assets physically segregated from the other assets of the transferor and persons related to the transferor. The Talc Personal Injury Trust has been established with the express purpose of satisfying the requirements of a qualified settlement fund and will be treated as a separate taxable entity. Its modified gross income will generally be subject to U.S. federal income tax at the highest rate applicable to estates and trusts (currently 37%). For purposes of determining the Talc Personal Injury Trust's modified gross income, payments to the Talc Personal Injury Trust and payments from the Talc Personal Injury Trust to holders of Talc Personal Injury Claims in settlement of their Claims will not be taken into account.

13.2 Tax Consequences to Holders of Talc Personal Injury Claims

The tax consequences of payments received by holders of Talc Personal Injury Claims will depend on the individual nature of each such Claim and the particular circumstances and facts applicable to such holder at the time each such payment is made. To the extent that payments from the Talc Personal Injury Trust to holders of Talc Personal Injury Claims constitute damages received by such holders on account of physical injuries or physical sickness, such payments should not constitute gross income to such recipients under Section 104 of the Tax Code, except to the extent that such payments are attributable to medical expense deductions allowed under Section 213 of the Tax Code for a prior taxable year. To the extent that any payments from the Talc Personal Injury Trust to holders of Talc Personal Injury Claims constitute damages received by such holders on account of claims other than physical injuries (such as lost wages) or received as interest (or any other amounts not excludable from income under Section 104 of the Tax Code), such payments will be includible in gross income to such holders.

All distributions to holders of Talc Personal Injury Claims under the Plan are subject to any applicable withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to “backup withholding” at the then applicable rate. Backup withholding generally applies if the holder (i) fails to furnish his social security number or other taxpayer identification number (“**TIN**”), (ii) furnishes an incorrect TIN, (iii) fails properly to report interest or dividends, or (iv) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

THE FOREGOING IS INTENDED TO BE A SUMMARY ONLY AND NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX ADVISOR. THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. SUCH CONSEQUENCES ALSO MAY VARY BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A TALC PERSONAL INJURY CLAIM. ACCORDINGLY, EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH ITS, HIS OR HER OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME TAX CONSEQUENCES OF THE PLAN.

FURTHERMORE, ANY U.S. FEDERAL TAX DISCUSSION CONTAINED IN THIS DISCLOSURE STATEMENT, THE PLAN AND ANY PLAN DOCUMENTS, AND ANY EXHIBITS OR ATTACHMENTS TO ANY SUCH DOCUMENTS, WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING ANY PENALTIES THAT MAY BE IMPOSED ON SUCH TAXPAYER BY THE INTERNAL REVENUE SERVICE.

ARTICLE XIV.

CONCLUSION AND RECOMMENDATION

The Plan Proponents believe that the Plan is in the best interests of all holders of Claims and urge all holders of Impaired Claims in Class 4 entitled to vote on the Plan to vote to accept the Plan and to evidence such acceptance by returning their Ballots so that they **WILL BE** actually received on or before 4 p.m. (Prevailing Eastern Time), on [September 3], 2020.

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Dated: May 15, 2020
Wilmington, Delaware

IMERYS TALC AMERICA, INC.
(On behalf of itself and each of the Debtors)

/s/

[●]

TORT CLAIMANTS' COMMITTEE

/s/

[●]

FUTURE CLAIMANTS' REPRESENTATIVE

/s/

[●]

IMERYS S.A.

(On behalf of itself and each of the Imerys Plan
Proponents)

/s/

[●]

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EXHIBIT A

The Plan

EXHIBIT B

Financial Projections

(to be filed at a later date)

EXHIBIT C

Liquidation Analysis

Liquidation Analysis

1) Introduction

The Debtors, with the assistance of their restructuring, legal, and financial advisors, have prepared this hypothetical Liquidation Analysis in connection with the Debtors' Plan and Disclosure Statement pursuant to chapter 11 of the Bankruptcy Code.¹ The Liquidation Analysis indicates the estimated recoveries that may be obtained by Classes of Claims and Equity Interests in a hypothetical liquidation pursuant to chapter 7 of the Bankruptcy Code upon disposition of assets as an alternative to the Plan. Accordingly, asset values discussed herein may be different than amounts referred to in the Plan. The Liquidation Analysis is based upon the assumptions discussed herein.²

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that the Bankruptcy Court find, as a condition to confirmation of the Plan, that each holder of a Claim or Equity Interest in each Impaired Class: (i) has accepted the Plan; or (ii) will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the amount that such Person would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. In order to make these findings, the Bankruptcy Court must: (1) estimate the cash proceeds (the "**Liquidation Proceeds**") that a chapter 7 trustee (the "**Trustee**") would generate if each Debtor's chapter 11 case was converted to a chapter 7 case on the Effective Date and the assets of such Debtor's Estate (as defined below) were liquidated; (2) determine the distribution (the "**Liquidation Distribution**") that each holder of a Claim or Equity Interest would receive from the Liquidation Proceeds under the priority scheme dictated in chapter 7; and (3) compare each holder's Liquidation Distribution to the distribution under the Plan (the "**Plan Distribution**") that such holder would receive if the Plan were confirmed and consummated. Accordingly, asset values discussed herein may be different than amounts referred to in the Plan. The Liquidation Analysis is based upon certain assumptions discussed herein and in the Disclosure Statement.

THE DEBTORS MAKE NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE ESTIMATES AND ASSUMPTIONS CONTAINED HEREIN, OR A TRUSTEE'S ABILITY TO ACHIEVE FORECASTED RESULTS. IN THE EVENT THAT THE CHAPTER 11 CASES ARE CONVERTED TO A CHAPTER 7 LIQUIDATION, ACTUAL RESULTS COULD VARY MATERIALLY FROM THE ESTIMATES AND PROJECTIONS SET FORTH IN THIS LIQUIDATION ANALYSIS.

2) Basis of Presentation

The Liquidation Analysis has been prepared assuming that the Debtors' chapter 7 liquidation would commence on or about October 31, 2020 (the "**Liquidation Date**"). The *pro forma* values referenced herein are projected as of October 31, 2020. The Debtors assume October 31, 2020 to be a reasonable proxy for the anticipated Effective Date. The Liquidation

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the *Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code*.

² ITI is included in the Liquidation Analysis even though ITI does not intend to file a chapter 11 bankruptcy petition unless holders of Claims in Class 4 vote to accept the Plan.

Analysis was prepared on a legal entity basis for each Debtor and summarized into a consolidated report.

The Liquidation Analysis represents an estimate of recovery values and percentages based upon a hypothetical liquidation if a trustee were appointed by the Bankruptcy Court to convert assets into cash. The determination of the hypothetical proceeds from the liquidation of assets is a highly uncertain process involving the extensive use of estimates and assumptions that, although considered reasonable by management and their advisors, are inherently subject to significant business, economic, and competitive uncertainties and contingencies beyond the control of the Debtors and their management team. The Liquidation Analysis should be read in conjunction with the assumptions, qualifications, and explanations set forth in the Disclosure Statement and the Plan in their entirety as well as the notes and assumptions set forth below.

The Liquidation Analysis assumes the Debtors enter chapter 7 on October 31, 2020, a reasonable proxy for the anticipated Effective Date of the Debtors' chapter 11 plan. The Liquidation Analysis assumes a timeline in which:

- on the Liquidation Date, the Debtors convert existing raw materials to finished goods for sale to customers over a 1-month period, ceasing operations by November 30, 2020;
- all assets are assumed to be sold and book-keeping is finalized by February 28, 2021, over a 3-month period following the cessation of operations.

In preparing the Liquidation Analysis, the Debtors have estimated an amount of Allowed Claims or Equity Interests for each Class of claimants based upon a review of the Debtors' balance sheets as of February 29, 2020, adjusted for estimated balances as of the Liquidation Date where needed. The estimate of all Allowed Claims in the Liquidation Analysis is based on the par value of each of these Claims. The estimate of the amount of Allowed Claims and Equity Interests set forth in the Liquidation Analysis should not be relied upon for any other purpose, including, without limitation, any determination of the value of any distribution to be made on account of Allowed Claims and Equity Interests under the Plan. The actual amount of Allowed Claims and Equity Interests could be materially different from the amount of Claims estimated in the Liquidation Analysis.

The cessation of business in a liquidation is likely to trigger certain claims that otherwise would not exist under a chapter 11 plan absent a liquidation. Examples of these kinds of claims included in this analysis are various potential employee claims (for such items as severance), unpaid chapter 11 administrative claims, and rejection damages claims relating to executory contracts or unexpired leases.

The Liquidation Analysis also does not include estimates for the tax consequences that may be triggered upon the liquidation and sale of assets in the manner described above. Such tax consequences may be material.

The Liquidation Analysis does not include recoveries resulting from any potential preference, fraudulent transfer, or other litigation or avoidance actions.

3) Liquidation Process

For purposes of this analysis, the Debtors' hypothetical liquidation would be conducted in a chapter 7 environment with the Trustee managing the bankruptcy estate of each Debtor (each an "Estate" or the "Estates") to maximize recovery in an expedited process. The Trustee's initial step would be to develop a liquidation plan to generate proceeds from the sale of entity specific assets for distribution to creditors. The three major components of the liquidation are as follows:

- generation of cash proceeds from asset sales, largely sold on a piecemeal basis;³
- costs related to the liquidation process, such as personnel retention costs, severance, Estate wind-down costs and Trustee, professional, and other administrative fees; and
- distribution of net proceeds generated from asset sales to the holders of Claims and Equity Interests in accordance with the priority scheme under chapter 7 of the Bankruptcy Code.⁴

4) Distribution of Net Proceeds to Claimants

Any available net proceeds would be allocated to the applicable holders of Claims and Equity Interests in strict priority in accordance with section 726 of the Bankruptcy Code:

- Secured Claims: includes claims arising from capital leases and auto leases.
- Chapter 11 Administrative Expense and Priority Claims: includes post-petition liabilities, post-petition vacation and severance for all employees terminated as part of the liquidation of the company, priority taxes, and restructuring transaction fees.
- General Unsecured Claims: includes contract rejection claims, trade claims and various other unsecured liabilities.
- Talc Personal Injury Claims: includes claims against one or more of the Debtors directly or indirectly arising out of or relating to the presence of or exposure to talc or talc-containing products based on alleged acts or omissions of the Debtors or any other entity for whose conduct the Debtors have or are alleged to have liability, prior to the Effective Date.
- Intercompany Claims: includes claims held by both non-debtor affiliates and other Debtors.

³ The Liquidation Analysis assumes that there will not be a sale of the North American Debtors Assets as contemplated by the Sale Motion.

⁴ The liquidation process would include a reconciliation of claims asserted against the Estates to determine the Allowed Claim amount per Class.

- Existing Equity Interests: includes any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all common stock or units, preferred stock or units, or other instruments evidencing an ownership interest in any of the Debtors.

5) Conclusion

The Debtors have determined, as summarized in the following analysis, upon the Effective Date, the Plan will provide all holders of Claims and Equity Interests with a recovery (if any) that is not less than what they would otherwise receive pursuant to a liquidation of the Debtors under chapter 7 of the Bankruptcy Code, and as such believe that the Plan satisfies the requirement of section 1129(a)(7) of the Bankruptcy Code.

(\$ in 000s)

Summary of Net Proceeds Available for Distribution

	Low	Midpoint	High
Gross Liquidating Proceeds	\$ 80,593	\$ 88,550	\$ 96,200
Less: Liquidation Costs	(14,770)	(15,208)	(15,629)
Net Liquidation Proceeds	\$ 65,823	\$ 73,342	\$ 80,572

Summary of Net Proceeds Available for Distribution

	Claim	Low	Midpoint	High
Less: Class 2 - Secured Claims	\$ 111	100%	100%	100%
Less: Administrative Claims	26,117	100%	100%	100%
Less: Priority Tax Claims	3,364	100%	100%	100%
Less: Class 1 - Priority Non-Tax Claims	2,588	100%	100%	100%
Less: Class 3 - Unsecured Claims ⁽¹⁾	37,906	29%	43%	55%
Less: Class 4 - Talc Personal Injury Claims ⁽¹⁾	Unknown	n.a.	n.a.	n.a.
Less: Class 5 - Intercompany Claims ⁽¹⁾	15,063	29%	43%	55%
Less: Class 6 - Equity Interests in North America Debtors	110,218	0%	0%	0%
Less: Class 7 - Equity Interests in ITI	\$ 26,650	68%	70%	72%

Notes:

⁽¹⁾ Claims Classes 3-5 are treated pari passu

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The following Liquidation Analysis should be reviewed with the accompanying notes. The following tables reflect the rollup of the deconsolidated liquidation analysis for the Debtors.

(\$ in 000s)

	Notes	Net Book Value		Pro Forma Value	Recovery Estimate (%)			Recovery Estimate \$		
		2/29/2020	Adjustment	10/31/2020	Low	Midpoint	High	Low	Midpoint	High
Gross Liquidation Proceeds										
Current Assets										
Cash & Cash Equivalents	[A]	\$ 19,422	(\$ 17,258)	\$ 2,164	100.0%	100.0%	100.0%	\$ 2,164	\$ 2,164	\$ 2,164
Accounts Receivable	[B]	23,252	2,485	25,736	79.0%	84.1%	89.2%	20,344	21,648	22,951
Intergroup Loan	[C]	45,712	(16,514)	29,198	100.0%	100.0%	100.0%	29,198	29,198	29,198
Inventory	[D]	29,303	--	29,303	23.2%	29.4%	35.5%	6,810	8,605	10,400
Other Current Assets										
Amounts owed from Debtors	[E]	9,834	3,731	13,565	41.9%	52.9%	63.4%	5,689	7,172	8,594
Amounts owed from Non-Debtor Affiliates	[E]	165	3,137	3,303	100.0%	100.0%	100.0%	3,303	3,303	3,303
Prepaid Expenses	[E]	2,092	(701)	1,391	4.2%	4.2%	4.2%	58	58	58
Other Receivables	[E]	773	--	773	56.4%	64.5%	72.6%	436	498	561
Total Current Assets		130,653	(25,119)	105,433	64.5%	68.9%	73.2%	68,002	72,646	77,229
Long Term Assets										
PP&E	[F]	65,209	(6,225)	58,985	20.3%	25.4%	30.1%	11,968	14,970	17,727
Deferred Tax	[G]	10,612	--	10,612	0.0%	0.0%	0.0%	--	--	--
Intangible Assets	[H]	503	(139)	364	0.0%	0.0%	0.0%	--	--	--
Other Long-Term Assets	[I]	17,461	(98)	17,363	3.6%	5.4%	7.2%	622	933	1,245
Total Long-Term Assets		93,785	(6,461)	87,324	14.4%	18.2%	21.7%	12,591	15,903	18,971
Total Assets		\$ 224,338	(\$ 31,581)	\$ 192,757	41.8%	45.9%	49.9%	80,593	88,550	96,200
Intra-Debtor Equity Proceeds										
Total Distributable Value								80,593	88,550	96,200
Less: Liquidation Costs										
Post-Conversion Cash Flow	[J]							5,354	5,354	5,354
Severance Costs	[K]							(1,402)	(1,402)	(1,402)
Chapter 7 U.S. Trustee Fee	[L]							(2,442)	(2,681)	(2,911)
Chapter 7 Professional Fees	[M]							(1,961)	(2,160)	(2,351)
Orderly Wind-Down Costs	[N]							(8,883)	(8,883)	(8,883)
Estate Wind-Down Costs	[O]							(520)	(520)	(520)
Decommissioning Costs	[P]							(4,916)	(4,916)	(4,916)
Total Liquidation Adjustment								(14,770)	(15,208)	(15,629)
Net Liquidation Proceeds Available for Distribution to Creditors								\$ 65,823	\$ 73,342	\$ 80,572
	Notes	Estimated Claims	Recovery Estimate (%)			Recovery Estimate \$				
			Low	MidPoint	High	Low	MidPoint	High		
Class 2 - Secured Claims	[Q]	\$ 111	100.0%	100.0%	100.0%	\$ 111	\$ 111	\$ 111		
Remaining Amount Available for Distribution						65,712	73,231	80,461		
Administrative Claims	[R]	26,117	100.0%	100.0%	100.0%	26,117	26,117	26,117		
Remaining Amount Available for Distribution						39,595	47,114	54,344		
Priority Tax Claims	[S]	3,364	100.0%	100.0%	100.0%	3,364	3,364	3,364		
Remaining Amount Available for Distribution						36,231	43,750	50,980		
Class 1 - Priority Non-Tax Claims	[T]	2,588	100.0%	100.0%	100.0%	2,588	2,588	2,588		
Remaining Amount Available for Distribution						33,643	41,162	48,392		
Class 3 - Unsecured Claims	[U]	37,906	29.3%	42.5%	55.2%	11,117	16,121	20,919		
Remaining Amount Available for Distribution						22,527	25,041	27,473		
Class 4 - Talc Personal Injury Claims	[V]	Unknown	n.a.	n.a.	n.a.	--	--	--		
Remaining Amount Available for Distribution						22,527	25,041	27,473		
Class 5 - Intercompany Claims	[W]	15,063	29.3%	42.5%	55.2%	4,417	6,406	8,313		
Remaining Amount Available for Distribution						18,109	18,635	19,160		
Class 6 - Equity Interests in North America Debtor	[X]	110,218	0.0%	0.0%	0.0%	--	--	--		
Remaining Amount Available for Distribution						18,109	18,635	19,160		
Class 7 - Equity Interests in ITI	[Y]	\$ 26,650	68.0%	69.9%	71.9%	18,109	18,635	19,160		
Remaining Amount Available for Distribution						\$ 0	\$ 0	\$ 0		

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Specific Notes to the Liquidation Analysis

Net Liquidation Proceeds

- **Note A - Cash & Cash Equivalent**
 - Consists of rollforward of book cash as of the Liquidation Date for all legal entities.
 - Includes all cash held at SunTrust, Royal Bank of Canada, Signature Bank, Societe Generale, and Intesa Sanpaolo.
 - The projected cash balance as of October 31, 2020 is based on the latest *pro forma* business plan projections prepared by the Debtors and its advisors.
 - The Debtors estimate a 100% recovery of the *pro forma* balance of cash.

- **Note B - Accounts Receivable**
 - Accounts receivable consists of accrued revenue which is assumed to be paid in the ordinary course on 30 to 60 day payment terms.
 - The projected accounts receivable balances as of October 31, 2020 is based on the latest *pro forma* business plan projections prepared by the Debtors and its advisors.
 - The analysis assumes that a chapter 7 Trustee would retain certain existing staff to handle collection efforts for outstanding trade accounts receivable for the entities undergoing liquidation.
 - There are high risks with collecting accounts receivable once a liquidation is announced.
 - The adjustments to collections reflect the potential costs of litigation if customers do not pay or delay payments, customers attempting to offset payables due to business disruption, contract breach expenses as a result of the cessation of operations, and other offset risks.
 - The Debtors estimate the liquidation recovery value of accounts receivable is 79% to 89% of the *pro forma* value.

- **Note C - Intergroup Loan**
 - Consists of prepetition amounts owed from parent entities.
 - The projected parent receivable balance as of October 31, 2020 is based on the latest *pro forma* business plan projections prepared by the Debtors and its advisors and reflects draws against the balance for liquidity purposes to fund operations.
 - The Debtors estimate a 100% recovery of the *pro forma* balance of the intergroup loan.

- **Note D - Inventory**
 - Inventory includes raw materials, spare parts, and finished goods. Debtors hold no goods on consignment.
 - Inventory is held across multiple locations and includes multiple SKUs and types.
 - Recovery percentages were estimated based on turnover metrics, days on hand, recent market price, and discussions with management.
 - Recovery percentages for finished goods assumed assets are sold in a fire-sale scenario.

- Recovery percentages for raw materials reflect recovery against *pro forma* balances after adjustment for conversion of raw materials to finished goods during the post-conversion cash flow period.
- The Debtors estimate the liquidation recovery value of inventory is 23% to 36% of the *pro forma* value.
- **Note E - Other Current Assets**
 - Other current assets primarily includes amounts owed from other Debtors, amounts owed from non-debtor affiliates, prepaid expenses, and other receivables.
 - For both Debtor and non-debtor affiliate balances, debit balances located on the liability side of balance sheet were re-classed to receivables.
 - Debtor and non-debtor affiliate receivable balances were offset by post-petition payable balances at the legal entity level.
 - Prepaid expenses includes short-term portion of prepaid expenses. Prepaid expenses include insurance, software, railcars, natural gas, and other short term prepaids.
 - Per discussion with management, the Debtors' insurance policies do not provide for return of unearned premium.
 - Other receivables include tax receivables that correspond to a value added tax refund owed by Canadian authorities for credit arising from prior amounts paid in the supply chain.
 - The Debtors estimate the liquidation recovery value of other current assets is 50% to 66% of the *pro forma* value.
- **Note F - Property, Plant, and Equipment**
 - Consists primarily of production plants, equipment utilized at the plant and mines, and land.
 - Estimated recoveries are based on estimates from management team and guidance on current market environment.
 - Recoveries on plants assume that the Debtors have ceased operations and no volumes are moving through the plants and they are sold in a fire-sale scenario. The buyer would purchase the plants as-is and would be responsible for any dismantling and transportation costs to relocate the assets to an operating location.
 - Other tangible assets were evaluated for their marketability to a non-talc related purchaser.
 - Recovery on land was discounted given the assumption that the asset was disposed in a fire-sale scenario.
 - The Debtors estimate the liquidation recovery value of Property, Plant, and Equipment is 20% to 30% of the *pro forma* value.
- **Note G - Deferred Taxes**
 - Deferred income taxes are assets arising from differences between statutory accounting and tax basis.
 - Per discussions with the parent company's internal tax professionals, deferred taxes can only be utilized by the Debtors and have no market value to third parties.

- The Debtors estimate the liquidation recovery value of deferred taxes is 0% of the *pro forma* value.
- **Note H - Intangible Assets**
 - Consists primarily of software, goodwill, intangibles, and other assets, including intellectual property, patents, and business methodologies.
 - The Debtors estimate the liquidation recovery value of intangible assets is 0% of the *pro forma* value.
- **Note I - Other Long-Term Assets**
 - Other long-term assets includes overburden and mineral reserves associated with operating the mills and mines.
 - Overburden is a capitalized cost incurred when removing the surface, rock and soil in order to access the underlying mineral deposit. As there is no tangible asset associated with this capitalized cost, no estimated recovery is assumed.
 - Mineral reserves are the economically mineable part of a measured or indicated mineral resource and represents mineable ore within the mine. Per management, the asset has little marketability to a non-talc related purchaser.
 - The Debtors estimate the liquidation recovery value of other long-term assets is 4% to 7% of the *pro forma* value.

Liquidation Adjustments

- **Note J - Post-Conversion Cash Flow**
 - Adjustment is based on estimated cash flow generated (used) by individual operating Debtors for 1-month subsequent to Liquidation Date for converting existing raw materials into finished goods for sale to third parties.
 - For the North American Debtors, amounts are allocated to each legal entity based on the ratable gross liquidation proceeds generated by such legal entity. Estimated post-conversion cash flow for the North American Debtors is assumed to be \$4.8 million.
 - ITI post-conversion cash flow was calculated independently for 1-month of operations until mine production and maintenance activities are assumed to be completely eliminated. Estimated post-conversion cash flow for ITI is assumed to be \$0.6 million.
- **Note K - Severance Costs**
 - Adjustment assumes that conversion to a chapter 7 liquidation will trigger employee termination costs, including severance, accrued and unpaid paid time-off and COBRA for the North American Debtors.
 - Estimate assumes 30% of total severance owed for each employee employed through post-conversion cash flow or wind-down period.
 - Costs were calculated at an individual level and are allocated to each North American Debtor based on employing legal entity.

- **Note L - Chapter 7 Trustee Fees**
 - Chapter 7 Trustee fees consist of fees paid to the chapter 7 Trustee to liquidate the Estates of the Debtors.
 - The estimate is pursuant to section 326 of the Bankruptcy Code and is calculated at approximately 3% of all gross Liquidation Proceeds in excess of \$1.0 million.
 - These fees would be used for developing marketing materials and facilitating the solicitation process for the parties, in addition to general administrative expenses, such as the chapter 7 Trustee's compensation.
 - Based on the Liquidation Proceeds forecast, the Debtors estimate the chapter 7 Trustee fees to be \$2.4 million to \$2.9 million.

- **Note M - Chapter 7 Professional Fees**
 - Chapter 7 professional fees includes costs to retain key professionals (attorneys, investment bankers, and financial advisors).
 - Costs are assumed at 2.5% of Liquidation Proceeds, excluding cash & cash equivalents.
 - Based on the Liquidation Proceeds forecast, the Debtors estimate the chapter 7 professional fees to be \$2.0 million to \$2.4 million.

- **Note N - Orderly Wind-Down Costs**
 - Includes payroll, facility and overhead costs to assist the Trustee and retained professionals with post-close activities, which include: (i) accounting and remittance for accrued and unpaid invoices, capex, any other pre-closing obligations, and (ii) calculate and distribute final payouts.
 - Additional wind-down activities include monetizing assets, reconciling claims and winding-down the estate.
 - For the North American Debtors, these expenses are incurred during the 3-month period subsequent to cessation of operations.
 - For ITI, a collective dismissal procedure would be required and managed according to established union procedures and labor law. This communication and consultation lasts a maximum of 75 days.
 - Additional costs at ITI include \$3.2 million to account for a 12 months lay-off incentive to facilitate trade unions negotiations, \$1.4 million in lieu of the dismissal notice requirement, and \$0.7 million for dismissal tickets and the employee termination fund.
 - Wind-down budget drafted in coordination with management, with an initial headcount totaling 311 FTEs declining over 4 months.
 - Orderly wind-down costs for all of Debtors is estimated to be \$8.9 million.

- **Note O - Estate Wind-Down Costs**
 - Includes document retention, final W-2s, final tax returns, and 401(k) termination costs.
 - Costs are estimated to be \$0.5 million.

- **Note P - Decommissioning Costs**
 - Includes amounts associated with decommissioning and reclamation of the Argonaut and Rodoretto mines at each of the Debtors.
 - Amounts associated with decommissioning and reclamation of the Yellowstone and Penhorwood mines, \$9.6 million and \$1.8 million, respectively, are not included in waterfall of funds due to assumption of sale of mines to third party who would assume such costs. These costs are excluded in an effort to take the most beneficial approach to creditors, but in the event the mines are not able to be sold as a going concern, the Debtors would incur the full decommissioning costs thus resulting in a lower recovery for unsecured claimants.
 - Examples of costs include earthwork/excavation, demolition, equipment demobilization, and associated operating expenses during the decommissioning period.
 - Costs for the North American Debtors are estimated to be the average of the two most frequent appraisals performed by third parties.
 - Total estimated costs are estimated to be \$16.4 million. Costs flowing through waterfall for the “best interests” test are \$4.9 million.

Claims

- **Note Q - Secured Claims (Class 2)**
 - Includes claims arising from capital leases and auto leases at ITI.
 - The Debtors estimate that there will be approximately \$0.1 million of secured claims as of the Liquidation Date and that the recoveries will be 100%.
- **Note R - Administrative Expenses**
 - Includes actual and necessary post-petition cost or expense of preserving the Estates or operating the businesses of the Debtors, post-petition costs, indebtedness or contractual obligations duly and validly incurred or assumed by the Debtors in the ordinary course of business, and compensation or reimbursement of expenses of Professionals to the extent allowed by the Bankruptcy Court under sections 327, 328, and 330(a) of the Bankruptcy Code.
 - Claims pursuant to section 503(b)(9) of the Bankruptcy Code as a result of receiving goods in the 20-day period prior to the Petition Date, have been paid in the ordinary course during chapter 11.
 - Estimate of accrued professional fees based on the latest *pro forma* cash flow forecast projections prepared by the Debtors and their advisors.
 - Accrued professional fee balances were offset at the advisor level for any retainers in place as of the Petition Date.
 - The Debtors estimate that there will be approximately \$26.1 million of administrative expenses remaining as of the Liquidation Date and that the recoveries will be 100%.
- **Note S - Priority Tax Claims**
 - Allowed priority tax claims will be treated per section 1129(a)(9)(C) of the Bankruptcy Code and will receive interest on such allowed priority tax claims after

the Effective Date in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code.

- The Debtors estimate that there will be approximately \$3.4 million of priority tax claims and that recoveries will be 100%.

- **Note T – Employment Related Claims (Administrative Claims) and Priority Non-Tax Claims (Class 1)**

- Includes unpaid vacation and severance obligations for employees, subject to the \$12,850 individual cap, per §507(a)(4) of the Bankruptcy Code, as applicable.
- The Debtors estimate that there will be approximately \$2.6 million of priority non-tax claims and that recoveries will be 100%.

- **Note U - Unsecured Claims (Class 3)**

- Includes lease rejections, non-priority employee obligations, unpaid prepetition trade, legal costs arising from prepetition talc litigation and surety bond claims.
- The Debtors estimate that there will be approximately \$37.9 million of unsecured claims as of the Liquidation Date and that the recoveries will range from 29% to 55%.⁵

- **Note V - Talc Personal Injury Claims (Class 4)**

- Represents claims against one or more of the Debtors directly or indirectly arising out of or relating to the presence of or exposure to talc or talc-containing products based on alleged acts or omissions of the Debtors or any other entity for whose conduct the Debtors have or are alleged to have liability, prior to the Effective Date.
- At the time of the Disclosure Statement, Talc Personal Injury Claims remain unliquidated, and the aggregate amount of such claims is unknown. The Debtors do not have sufficient information to estimate the amount of these claims for purposes of this analysis, and therefore, no value has been assigned to Class 4 and no recovery value is currently projected.
- Conversion to chapter 7 would substantially impact the costs and efficiency of administering the Talc Personal Injury Claims compared to the Talc Personal Injury Trust proposed in the Plan. Chapter 7 of the Bankruptcy Code contains no provision for establishing a trust or other efficient means to resolve the Talc Personal Injury Claims. Under chapter 7, the Talc Personal Injury Claims would need to be resolved through litigation, and the trustee would need to engage litigation counsel to defend and liquidate those claims. This differs significantly from the Plan, which proposes to establish the Talc Personal Injury Trust to resolve such claims through the Trust Distribution Procedures. The resulting litigation under a chapter 7 liquidation to resolve the various Talc Personal Injury Claims is likely to be more costly and time-consuming than the Talc Personal Injury Trust to be established under the Plan. Additionally the Plan guarantees at least \$177.5 million (subject to the Contingent Contribution) to be contributed to the Talc

⁵ Estimated recovery values do not contemplate any potential distributions on account of the Talc Personal Injury Claims, given the inability to estimate such Claims. Recovery values for Unsecured Claims may be materially less, depending on actual value of the Talc Personal Injury Claims.

Personal Injury Trust as part of the Imerys Settlement. This amount would not be funded in a chapter 7 liquidation.

- **Note W - Intercompany Claims (Class 5)**
 - Includes claims held by both non-debtor affiliates and other Debtors. Claims held by non-debtor affiliates represent prepetition balances that arose in the ordinary course of business in trading relationships with the Debtors.
 - Debtor intercompany claims represent prepetition amounts owed to ITA from ITV, ITC, and ITI.
 - The Debtors estimate that there will be approximately \$15.1 million of intercompany claims as of the Liquidation Date and that the recoveries will range from 29% to 55%.

- **Note X - Equity Interests in the North American Debtors (Class 6)**
 - Existing Interests consists of interests of any holders of any class of equity securities of any of the North American Debtors, represented by shares of common or preferred stock, limited partnership interests or other instruments evidencing an ownership interest in any of the North American Debtors, whether or not certificated, transferable, voting or denominated “stock” or a similar security, or any option, warrant or right, contractual or otherwise, to acquire any such interest.
 - ITA is the direct parent of ITV and receives any proceeds remaining subsequent to ITV distributions following strict priority in accordance with section 726 of the Bankruptcy Code.
 - There are no estimated recoveries for equity interests in the North American Debtors.

- **Note Y - Equity Interests in ITI (Class 7)**
 - Existing Interests consists of interests of any holders of any class of equity securities of ITI, represented by shares of common or preferred stock, limited partnership interests or other instruments evidencing an ownership interest in any of ITI, whether or not certificated, transferable, voting or denominated “stock” or a similar security, or any option, warrant or right, contractual or otherwise, to acquire any such interest.
 - Estimated recoveries for Equity Interests in ITI range from \$18.1 million to \$19.2 million. Such recoveries assume payment of holders of Claims against ITI in full.

⁶ Unsecured Claims, Talc Personal Injury Claims, and Intercompany Claims are treated pari passu. Holders of Unsecured Claims, Talc Personal Injury Claims, and Intercompany Claims against ITI are expected to recover in full in a hypothetical liquidation pursuant to chapter 7. Accordingly, with the exclusion of ITI as a Debtor the estimated 29% - 55% recovery range for Unsecured Claims, Talc Personal Injury Claims, and Intercompany Claims is lower for the holders of such Claims against the North American Debtors.

TAB C

This is
EXHIBIT "C"
to the Affidavit of
ANTHONY WILSON
Sworn June 29, 2020

DocuSigned by:

Nicholas Avis

2C12EFAB5242430

Nicholas Avis
Commissioner for Taking Affidavits
LSO #76781Q

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

	X	
In re:	:	Chapter 11
	:	
IMERYYS TALC AMERICA, INC., <i>et al.</i> , ¹	:	Case No. 19-10289 (LSS)
	:	
Debtors.	:	(Jointly Administered)
	:	
	X	Re: Docket No. 1718

**ORDER (I) (A) ESTABLISHING BIDDING PROCEDURES, ASSUMPTION AND
ASSIGNMENT PROCEDURES, AND STALKING HORSE PROCEDURES FOR SALE
OF SUBSTANTIALLY ALL ASSETS, (B) SCHEDULING AUCTION AND SALE
HEARING, AND (C) APPROVING FORM AND MANNER OF NOTICE THEREOF,
AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the Debtors for entry: (a) of this order (this “**Bidding Procedures Order**”) (i) authorizing and approving bidding procedures (the “**Bidding Procedures**”) for the sale (the “**Sale**”) of all or substantially all of the Debtors’ assets (collectively, the “**Assets**”), (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases (collectively, the “**Contracts**”) and the determination of amounts necessary to cure all monetary defaults thereunder (collectively, the “**Cure Amounts**”), (iii) establishing procedures in connection with the selection of a Stalking Horse Bidder, if any, and protections to be afforded thereto, (iv) scheduling an auction of the Assets (the “**Auction**”) for September 29, 2020, (v) scheduling a hearing to consider approval of any Sale (the “**Sale Hearing**”) to be held on October 14, 2020, (vi) approving the form and manner of notice

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (6358), Imerys Talc Vermont, Inc. (9050), and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076.

² Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Motion or the Bidding Procedures, as applicable.

in connection with the foregoing, and (vii) granting related relief; and (b) one or more orders (each, a “**Sale Order**”), as applicable, authorizing and approving: (i) the sale of the Assets free and clear of all Interests to the winning bidder (the “**Successful Bidder**”) pursuant to a purchase agreement to be executed by the Successful Bidder (an “**Asset Purchase Agreement**”), (ii) the assumption and assignment of certain Contracts, and (iii) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion (the “**Bidding Procedures Hearing**”); and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest; and upon all the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND, CONCLUDED, AND DETERMINED THAT:³

A. The Debtors have articulated good and sufficient business reasons for this Court to (a) authorize and approve the Bidding Procedures, (b) authorize and approve the Assumption and

³ The findings and conclusions set forth herein constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

Assignment Procedures, (c) authorize and approve the procedures in connection with the selection of Stalking Horse Bidder(s), if any, (d) authorize and approve the procedures by which the Debtors may seek approval of the Break-Up Fee, Expense Reimbursement, and Overbid Protection (collectively, the “**Bid Protections**”), subject to the notice requirements and opportunity to object, (e) the form and manner of notice of the foregoing, (f) schedule the Auction, and (g) schedule the Sale Hearing.

B. Notice of the Motion, the Bidding Procedures Hearing, and the entry of this Bidding Procedures Order complied with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

C. The Debtors’ proposed notices of (a) a Sale, (b) the assumption and assignment of, and Cure Amounts for, the Contracts to be assumed and assigned to any Successful Bidder, (c) the Auction, (d) the Indication of Interest Deadline (as defined below), (e) the Bid Deadline (as defined below), (f) the Successful Bidder, and (g) the Bidding Procedures are appropriate and reasonably calculated to provide all interested parties with timely and proper notice of each, and no further notice of, or hearing on, each is necessary or required.

D. The Bidding Procedures, substantially in the form attached hereto as Exhibit 1, and incorporated herein by reference as if fully set forth in this Bidding Procedures Order, are fair, reasonable, and represent the best method for maximizing the value of the Debtors’ estates in connection with a Sale.

E. The Assumption and Assignment Procedures, which contemplate the filing of the Contracts Schedule and service of the Cure Notices (each, as defined below) on or before July 28, 2020, are reasonable and appropriate.

IT IS THEREFORE ORDERED THAT:

1. The Motion is granted to the extent set forth herein.
2. Any objections to the Motion and the relief granted herein, to the extent not resolved as set forth herein or on the record at the Bidding Procedures Hearing, are hereby overruled.
3. The Bidding Procedures, as attached hereto, are approved. Subject to the recognition of the Bidding Procedures Order by the Canadian Court in the Canadian Proceeding, the Debtors, the TCC and FCR are authorized to take any and all actions reasonably necessary or appropriate to implement the Bidding Procedures pursuant to their terms.

**PROCEDURES FOR DESIGNATION OF STALKING HORSE BIDDER AND
APPROVAL OF BID PROTECTIONS**

4. The Debtors, after consultation with the Consultation Parties and in accordance with the Bidding Procedures, may (but are not required to): (a) select and designate one or more Potential Bidders (as defined below) to act as a Stalking Horse Bidder for up to substantially all of the Assets with the consent of the TCC and the FCR, (b) with the TCC and FCR, negotiate the terms of, and enter into one or more purchase agreements with any Stalking Horse Bidder (each, a “**Stalking Horse Agreement**”) with the consent of the TCC and FCR, subject to higher or better bids as contemplated herein, and (c) agree to provide some or all of the Bid Protections to such Stalking Horse Bidder(s) with the consent of the TCC and the FCR and subject to approval of this Court after notice and an opportunity to object as set forth below; *provided* that no insider of the Debtors or non-Debtor affiliate shall be selected as a Stalking Horse Bidder or entitled to any Bid Protections.
5. Upon entry of a Stalking Horse Approval Order (as defined below), the proposed Bid Protections shall be approved by the Court and shall, upon the Debtors’ entry into the

respective Stalking Horse Agreement, be granted administrative expense priority under sections 503(b) and 507(a)(2) of the Bankruptcy Code.

6. Any such Stalking Horse Bidder shall be designated by the Debtors, with the consent of the TCC and FCR, on or before August 28, 2020, and, if any such Stalking Horse Bidder is designated, the Debtors shall file a notice of entry into any Stalking Horse Agreement (a “**Stalking Horse Notice**”), which notice shall include any proposed Stalking Horse Agreement, set forth the terms of the Bid Protections proposed to be given to any Stalking Horse Bidder, and be served upon: (a) all entities known to have expressed an interest in a transaction with respect to some or all of the Assets during the past twelve (12) months; (b) all entities known to have asserted any interest in or upon any of Assets; (c) all federal, state and local regulatory, environmental or taxing authorities or recording offices that have a reasonably known interest in the relief requested by the Motion; (d) the Internal Revenue Service; (e) counsel to the TCC; (f) counsel to the FCR; (g) those parties who have made the appropriate filings requesting notice of all pleadings filed in the Chapter 11 Cases; (h) the U.S. Trustee; (i) the Office of the United States Attorney for the District of Delaware; (j) the Information Officer; and (k) the offices of the attorneys general for the states in which the Debtors operate (collectively, the “**Transaction Notice Parties**”) with no further notice being required.

7. The Stalking Horse Bidder shall be a Qualified Bidder and the Stalking Horse Bid shall be a Qualified Bid.

8. In the event that any Stalking Horse Bidder is designated, the Transaction Notice Parties shall have until 4:00 p.m. (prevailing Eastern Time) fourteen (14) calendar days after the filing of a Stalking Horse Notice, (the “**Stalking Horse Objection Deadline**”) to file an objection to any proposed Bid Protections related to the Stalking Horse Bid and serve such objection upon

the Debtors, counsel to the TCC, counsel to the FCR, and parties requesting notice pursuant to Bankruptcy Rule 2002. Once the Stalking Horse Objection Deadline has passed, the Court may enter an order (the “**Stalking Horse Approval Order**”) approving the selection of a Stalking Horse Bid for the purposes of conducting the Auction and the Bid Protections related thereto either (a) upon certification of counsel, if no objection from any of the Transaction Notice Parties has been received before the Stalking Horse Objection Deadline that was not consensually resolved, or (b) after a hearing, which may be held on expedited notice upon the motion of the Debtors or any party in interest, if an objection from any of the Transaction Notice Parties has been received before the Stalking Horse Objection Deadline and not consensually resolved.

NOTICE PROCEDURES

9. Copies of this Bidding Procedures Order and the attached Bidding Procedures shall be served by first class mail upon the Transaction Notice Parties no later than three (3) calendar days after entry of the Bidding Procedures Order entered by the Court.

10. On or before the date that is twenty-one (21) calendar days before the Auction, or if there is no Auction, the date that is twenty-one (21) calendar days before the Sale Hearing (the “**Mailing Date**”), in accordance with Bankruptcy Rule 2002(a) and (c), the Debtors or their agents shall serve the auction and sale notice, substantially in the form attached hereto as Exhibit 2 (the “**Auction and Sale Notice**”), by first-class mail, postage prepaid, upon the Transaction Notice Parties.

11. The Auction and Sale Notice shall indicate that copies of the Motion and the Bidding Procedures can be obtained by visiting the website maintained by the Debtors’ claims and noticing agent, Prime Clerk LLC (“**Prime Clerk**”), at <https://cases.primeclerk.com/imerystalc>. The Auction and Sale Notice shall also indicate the deadline for objecting to a Sale to the Successful Bidder and the date and time of the Auction and Sale Hearing. In addition, the Auction

and Sale Notice shall provide notice that the Debtors may seek to assume and assign certain Contracts to be identified in accordance with the Assumption and Assignment Procedures (as described further below) at the Sale Hearing. Such notice shall be sufficient and proper notice of the Sale with respect to known interested parties.

12. The Debtors shall also publish a notice of a proposed Sale, in substance substantially similar to the Auction and Sale Notice, in *The Wall Street Journal* and *The Globe & Mail National Edition* on the Mailing Date or as soon as practicable thereafter. Such Publication Notice shall be sufficient and proper notice of a Sale to any other interested parties whose identities are unknown to the Debtors.

INDICATION OF INTEREST DEADLINE

13. To participate in the Bidding Process, Interested Parties must submit an Indication of Interest on or before July 17, 2020 (the “**Indication of Interest Deadline**”) to PJT. Upon receipt, PJT shall then deliver the Indication of Interest to the following parties (excluding (d) below): (a) the Debtors, 100 Mansell Court East, Suite 300, Roswell, GA 30076 (Attn: Ryan J. Van Meter, Esq. (email: ryan.vanmeter@imerys.com)); (b) counsel to the Debtors, (i) Latham & Watkins LLP, 355 S. Grand Avenue, Suite 100, Los Angeles, CA 90071 (Attn: Kimberly A. Posin, Esq., David Zaheer, Esq., and Helena G. Tseregounis, Esq. (emails: kim.posin@lw.com, david.zaheer@lw.com, and helena.tseregounis@lw.com)), and (ii) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Michael J. Merchant, Esq. (email: merchant@rlf.com)); (c) Canadian counsel to the Debtors, Stikeman Elliot LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, ON, Canada M5L 1B9 (Attn: Maria Konyukhova (email: mkonyukhova@stikeman.com)); (d) investment banker to the Debtors, PJT Partners LP, 280 Park Avenue, New York, NY 10017 (Attn: Paul Sheaffer and Phillip Smith (emails: sheaffer@pjtpartners.com and smith@pjtpartners.com)); (e) counsel to the TCC, (i)

Robinson & Cole LLP, 1201 N. Market St., Suite 1406, Wilmington, DE 19801 (Attn: Natalie D. Ramsey, Esq. and Mark A. Fink, Esq. (emails: nramsey@rc.com and mfink@rc.com)), and (ii) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019 (Attn: Rachel C. Strickland, Esq. and Dan Forman, Esq. (emails: rstrickland@willkie.com and dforman@willkie.com)); (f) investment banker to the TCC, Ducera Partners LLC, 499 Park Avenue, Floor 16, New York, NY 10022 (Attn: Agnes Tang and Jason Koh (emails: atang@ducerapartners.com and jkoh@ducerapartners.com)); (g) counsel to the FCR, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Robert S. Brady, Esq., Edwin J. Harron, Esq. and Sharon M. Zieg, Esq. (emails: rbrady@ycst.com, eharron@ycst.com and szieg@ycst.com)); and (h) counsel to the Information Officer, Aird & Berlis LLP, Brookfield Place, 181 Bay Street, Suite 1800, Toronto, Ontario, Canada M5J 2T9 (Attn: Kathryn Esaw (email: kesaw@airdberlis.com)) (collectively, the “**Bid Notice Parties**”).

14. Within seven (7) calendar days after the Indication of Interest Deadline, those Interested Parties that submitted Indications of Interests that the Debtors determine meet the requirements set forth in the Bidding Procedures (in their reasonable business judgment following consultation with the Consultation Parties, shall be selected to participate in the second phase of the Bidding Process (each a “**Potential Bidder**”). Only Potential Bidders may submit Qualified Bids; *provided, however*, notwithstanding anything to the contrary in the Bidding Procedures, that the Debtors may, in consultation with the Consultation Parties, permit an Interested Party that submits an Indication of Interest after the Indication of Interest Deadline to participate in the second phase of the Bidding Process as a Potential Bidder. Notwithstanding anything to the contrary herein, and as described in the Bidding Procedures, the TCC and/or the FCR may

designate an Interested Party a Potential Bidder to the extent the TCC and/or the FCR contest the Debtors' determination that an Interested Party that has provided an Indication of Interest by the Indication of Interest Deadline failed to meet the requirements set forth in the Bidding Procedures.

BID DEADLINE

15. Bids must be received in writing on or before 4:00 p.m. (prevailing Eastern Time) on September 24, 2020 (the "**Bid Deadline**") or such other date as may be determined by the Debtors with the reasonable consent of the TCC and the FCR, and served on the Bid Notice Parties, *provided* the Debtors shall provide notice to Potential Bidders of any extension of the Bid Deadline.

NOTICE OF AUCTION AND SALE HEARING

16. The Debtors shall hold the Auction if there is more than one Qualified Bidder, as determined by the Debtors in consultation with the Consultation Parties (subject to the Designation Right).

17. As soon as practicable after the Bid Deadline, the Debtors shall file, but not serve, a notice indicating whether the Auction will be held, and if applicable, the date and time of the Auction.

18. The Debtors shall file, but not serve, a notice identifying any Successful Bidder, and indicating whether the Sale Hearing will be held, if applicable, by noon (prevailing Eastern Time) the calendar day after the Auction is completed.

AUCTION PROCEDURES

19. The Debtors are authorized to commence the Auction on or before September 29, 2020 at 10:00 a.m. (prevailing Eastern Time) at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022, or such other place and time acceptable to the TCC and FCR as the Debtors shall notify all Qualified Bidders that have submitted Qualified Bids (including

any Stalking Horse Bidder) and the Consultation Parties. If only one Qualified Bid has been received, the Debtors may cancel the Auction with the reasonable consent of the TCC and the FCR. The Debtors are authorized subject to the terms of this Bidding Procedures Order and the Bidding Procedures, to take actions reasonably necessary, in their discretion, to conduct and implement the Auction in reasonable consultation with the Consultation Parties and with the consent of the TCC and FCR to the extent set forth herein and in the Bidding Procedures.

20. Only (a) the Qualified Bidders that have submitted Qualified Bids (including the Stalking Horse Bidder(s), if any), and (b) such other parties as the Debtors shall determine, in consultation with the Consultation Parties, will be entitled to make any Bids at the Auction. The Debtors and their professionals shall direct and preside over the Auction and the Auction shall be transcribed. Each Qualified Bidder (including the Stalking Horse Bidder(s), if any) participating in the Auction must confirm that it (a) has not engaged in any collusion with respect to the bidding or sale of any of the Assets, (b) has reviewed, understands and accepts the Bidding Procedures, and (c) has consented to the core jurisdiction of this Court and to the entry of a final order by this Court on any matter related to this Bidding Procedures Order, a Sale, or the Auction if it is determined that this Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties. All creditors of the Debtors (pursuant to Local Rule 6004-1) and the U.S. Trustee may attend the Auction, provided that any such party sends an email to the Bid Notice Parties indicating that they intend to attend the Auction no less than seven (7) calendar days prior to the Auction.

21. Subject to the rights of parties in interest under applicable law, the Debtors may, in consultation with the Consultation Parties and in accordance with the Bidding Procedures, (a) select, in their business judgment, pursuant to the Bidding Procedures, the highest or otherwise

best offer(s) and the Successful Bidder or the Successful Bidders, and (b) reject any bid that, in the Debtors' business judgment, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, or the Bidding Procedures or (iii) contrary to the best interests of the Debtors and their estates, creditors, interest holders, or parties in interest. For the avoidance of doubt, the Debtors and the Consultation Parties reserve their rights to petition the Court to resolve any dispute amongst the Debtors on the one hand, and any of the Consultation Parties, on the other, (and may do so on an emergency basis and each non-moving party shall not object to such moving party's petition to be heard on an emergency basis) as described in the Bidding Procedures. For the avoidance of doubt, the valuation of any non-cash component in respect of the foregoing, shall be subject to the consent of the TCC and the FCR.

22. The failure to specifically include or reference any particular provision, section, or article of the Bidding Procedures in this Bidding Procedures Order shall not diminish or impair the effectiveness or such procedures, it being the intent of this Court that the Bidding Procedures be authorized and approved in their entirety and incorporated herein by reference.

ASSUMPTION AND ASSIGNMENT PROCEDURES

23. The Assumption and Assignment Procedures are approved.

24. In accordance with the Assumption and Assignment Procedures, on or before July 28, 2020, the Debtors shall file a schedule (the "**Contracts Schedule**") listing all of the Debtors' Contracts, which includes the Cure Amounts. The Contracts Schedule and Cure Amounts shall be posted on the Debtors' website maintained by Prime Clerk.

25. In accordance with the Assumption and Assignment Procedures, on or before July 28, 2020, the Debtors shall serve a notice (the "**Cure Notice**"), substantially in the form attached hereto as Exhibit 3, on each Contract Party to each Contract set forth on the Contracts

Schedule. The Cure Notice shall (a) state the Cure Amount; (b) notify the Contract Party that such party's contract or lease may be assumed and assigned to a purchaser of the Assets at the conclusion of the Sale Hearing; (c) state the date of the Sale Hearing and that objections to any Cure Amount or to assumption and assignment of any Contract will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors; and (d) state a deadline by which the Contract Party shall file an objection to the Cure Amount or to the assumption and assignment of its Contracts; *provided, however*, that the inclusion of a contract, lease, or agreement on the Cure Notice or the Contracts Schedule shall not constitute an admission that such contract, lease, or agreement is an executory contract or lease or in any way give rise to an obligation of the Debtors or any Successful Bidder to assume or assume and assign such agreements.⁴

26. The deadline to object to any Cure Amount or to assumption and assignment on any basis other than an Adequate Assurance Objection (as defined below) shall be the date that is fourteen (14) calendar days after service of the Cure Notice (the "**Cure Objection Deadline**") and any such objections shall be served on: (a) the Debtors; (b) counsel to the Debtors; (c) the U.S. Trustee; (d) counsel to the TCC; (e) counsel to the FCR; and (f) any Successful Bidders (if no Successful Bidders have been selected for any Assets, any Stalking Horse Bidders for such Assets) (collectively, the "**Objection Notice Parties**"). Any such objection shall (a) be in writing, (b) state the basis for such objection, and (c) if such objection is to the Cure Amount, state with specificity what cure amount the Contract Party believes is required (in all cases with appropriate documentation in support thereof).

⁴ For the avoidance of doubt, all of the Debtors' rights, claims, and causes of action with respect to the contracts and leases listed on the Cure Notice and the Contracts Schedule are hereby reserved.

27. To the extent that the Debtors wish to amend the Contracts Schedule, the Debtors may file supplements (each, a “**Supplemental Contracts Schedule**”) setting forth the Contracts that have been added to, or removed from, the Contracts Schedule and any modification to the proposed Cure Amount for any Contract. The Debtors will also serve, in connection therewith, a supplemental Cure Notice (each, a “**Supplemental Cure Notice**”) on each Contract Party to a Contract identified on such Supplemental Contracts Schedule. With respect to any Supplemental Cure Notice, (a) the deadline to object to any Cure Amount or to assumption and assignment on any basis other than an Adequate Assurance Objection shall be the date that is fourteen (14) calendar days after service of the Supplemental Cure Notice (the “**Supplemental Cure Objection Deadline**”), (b) any such objections must be served on the Objection Notice Parties, and (c) any such objection shall be heard at the Sale Hearing (to the extent such hearing has not occurred as of the Supplemental Cure Objection Deadline) or at a later hearing, as determined by the Debtors.

28. At the Sale Hearing, only those Contracts (and the corresponding Cure Amounts) listed on the Contracts Schedule or Supplemental Contracts Schedule, as applicable, that have been selected to be assumed by the Successful Bidder at the Auction (as may be amended in accordance with the terms of the applicable definitive documents, the “**Selected Contracts**”) shall be subject to approval by this Court, and the Debtors’ rights with respect to all other contracts are fully reserved. Objections to the ability of the Successful Bidder to demonstrate adequate assurance of future performance (an “**Adequate Assurance Objection**”) with respect to any Selected Contracts may be presented at the Sale Hearing (the “**Adequate Assurance Objection Deadline**”).

29. As soon as possible after the conclusion of the Auction, the Debtors shall file a notice that identifies any Successful Bidder. Moreover, no later than seven (7) calendar days prior

to the Sale Hearing the Debtors shall file a notice that identifies the Selected Contracts that the Debtors will seek to assume and assign at the Sale Hearing.

30. Absent further order of the Court, unless a Contract Party files an objection to the Cure Amount by the Cure Objection Deadline or Supplemental Cure Objection Deadline, or Adequate Assurance Objection by the Adequate Assurance Objection Deadline, such Contract Party shall be forever barred and estopped from (a) objecting to the Cure Amount, (b) asserting or claiming any Cure Amount against the Debtors, any Successful Bidder, or any other assignee of the relevant Contract, other than the Cure Amount listed on the Cure Notice or Supplemental Cure Notice (as applicable), or (c) objecting to the ability of the Successful Bidder to demonstrate adequate assurance of future performance.

31. The Debtors are authorized to settle on a consensual basis any dispute regarding a Cure Amount without further order of this Court.

SALE HEARING

32. The Sale Hearing to approve the Sale of the Assets shall be held on or before October 14, 2020 at 10:00 a.m. (prevailing Eastern Time).

33. Any and all objections, if any, to a Sale of the Assets and entry of a Sale Order with respect thereto (a "**Sale Objection**") must be filed and served on the Objection Notice Parties by 4:00 p.m. (prevailing Eastern Time) on October 7, 2020 (the "**Sale Objection Deadline**").

RELATED RELIEF

34. Notwithstanding anything to the contrary contained herein, any of the deadlines contained in the Bidding Procedures and this Bidding Procedures Order may be extended or modified by the Debtors with the reasonable consent of the TCC and the FCR. Any extensions or modifications to the deadlines contained in the Bidding Procedures and this Bidding Procedures Order will be included on the Debtors' website maintained by Prime Clerk. To the extent a

deadline is extended by more than five (5) business days, a notice of such extension will be served on the Transaction Notice Parties.

35. The Debtors, the TCC and FCR are hereby authorized and empowered to take such actions as may be reasonably necessary to implement and effect the terms and requirements established by this Bidding Procedures Order, provided that such actions are consistent with the terms of the Bidding Procedures and this Bidding Procedures Order.

36. Copies of the Motion, Bidding Procedures, all exhibits and schedules thereto, this Bidding Procedures Order, the Auction and Sale Notice, and the Contracts Schedule, and certain other documents relevant to the Sale, may be obtained by visiting the Debtors' website maintained by Prime Clerk.

37. All rights of the Debtors, as they may reasonably determine to be in the best interest of their estates, in consultation with the Consultation Parties, to: (a) determine which Interested Parties qualify as Potential Bidders; (b) determine which Bids are Qualified Bids and which bidders are Qualified Bidders; (c) select one or more Stalking Horse Bidders (if any); (d) determine which Qualified Bid is the highest or otherwise best Bid or combination of Bids and which is the next highest or otherwise best Bid or combination of Bids; (e) reject any Bid that is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, (3) contrary to the best interests of the Debtors and their estates, or (4) subject to any financing contingency or otherwise not fully financed; (f) waive terms and conditions set forth in the Bidding Procedures with respect to all potential bidders; (g) impose additional terms and conditions with respect to all potential bidders; (h) extend the deadlines set forth in the Bidding Procedures; (i) continue or cancel the Auction or Sale Hearing in open court without further notice; and (j) modify the Bidding Procedures and

implement additional procedural rules that the Debtors determine, in their reasonable business judgment, and in consultation with the Consultation Parties, will better promote the goals of the Bidding Process, are hereby reserved; *provided* that subsections (c), (e), and (g) through (j) shall be subject to the consent of the TCC and the FCR; *provided further* that the valuation of any non-cash component of any Bid or combination of Bids shall be subject to the consent of the TCC and the FCR.

38. Nothing in this Bidding Procedures Order or the Bidding Procedures shall require the Debtors to take any action, or refrain from taking any action, with respect thereto to the extent the Debtors determine that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or their fiduciary obligations, unless the Debtors do not obtain the consent of the TCC and FCR with respect thereto (and solely to the extent such consent is required pursuant to the terms hereof), in which case such dispute shall be determined by the Court.

39. To the extent there is a dispute between the Debtors on the one hand, and the TCC and/or the FCR, on the other hand, regarding any of the matters contemplated in the Bidding Procedures or the Bidding Procedures Order, the Debtors, the TCC and the FCR each expressly reserve the right to petition the Court to resolve such dispute, (and may do so on an emergency basis and each non-moving party shall not object to such moving party's petition to be heard on an emergency basis). For the avoidance of doubt and without limiting any of the foregoing, the right to petition the Court described in this paragraph includes the right to seek Court resolution of any matters in which the TCC and the FCR have consent rights pursuant to the Bidding Procedures and/or the Bidding Procedures Order or otherwise with respect to the sale process and

where the Debtors, on the one hand, and the TCC and/or the FCR, on the other hand, are unable to reach a consensus regarding such matters.

40. For the avoidance of doubt, the Debtors are not seeking to market or sell assets that will be contributed to the Talc Personal Injury Trust, including, without limitation, the Talc Insurance Actions, the Talc Insurance Action Recoveries, and the rights of the Debtors with respect to Talc Insurance Policies, Talc Insurance Settlement Agreements, Talc Insurance Buyback Agreements, and Claims thereunder (each as defined in the Plan). The Debtors do not presently intend to market or sell any insurance policies or rights to insurance policies or their proceeds in connection with the sale process. All parties reserve their rights to object to any proposed sale of assets.

41. This Bidding Procedures Order shall constitute findings of fact and conclusions of law and shall take effect immediately upon execution hereof.

42. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7052, 9014 or otherwise, the terms and conditions of this Bidding Procedures Order shall be immediately effective and enforceable upon its entry.

43. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Bidding Procedures Order, including, but not limited to, any matter, claim or dispute arising from or relating to the Bid Protections, the Asset Purchase Agreement, the Bidding Procedures and the implementation of this Bidding Procedures Order.

EXHIBIT 1

Bidding Procedures

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

----- X
 In re: : Chapter 11
 :
 IMERYS TALC AMERICA, INC., *et al.*,¹ : Case No. 19-10289 (LSS)
 :
 Debtors. : (Jointly Administered)
 :
 ----- X **Re: Docket No. __**

BIDDING PROCEDURES

On February 13, 2019, Imerys Talc America, Inc. (“**ITA**”), Imerys Talc Vermont, Inc. (“**ITV**”), and Imerys Talc Canada Inc. (“**ITC**” and, together with ITA and ITV, collectively, the “**Debtors**”) filed voluntary petitions under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”) commencing the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”).

On February 15, 2019, ITC commenced a proceeding with the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) pursuant to the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended) seeking recognition of the Chapter 11 Cases and certain relief granted by the Court. Richter Advisory Group Inc. is the information officer (the “**Information Officer**”) appointed by the Canadian Court in the Canadian Proceeding.

On May 15, 2020, the Debtors filed the *Debtors’ Motion for Entry of Orders (I) (A) Establishing Bidding Procedures, Assumption and Assignment Procedures, and Stalking Horse Procedures for Sale of Substantially All Assets, (B) Scheduling Auction and Sale Hearing, and (C) Approving Form and Manner of Notice Thereof, (II) Approving Sale of Substantially All Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests, (III) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [Docket No. 1718] (the “**Bidding Procedures Motion**”).

On [●], 2020, the Court entered an order [Docket No. [●]] (the “**Bidding Procedures Order**”) granting the relief requested in the Bidding Procedures Motion, including approval of the Bidding Procedures (as defined below). A copy of the Bidding Procedures Order is available on the website maintained by the Debtors’ claims and noticing agent, Prime Clerk LLC (“**Prime Clerk**”), at <https://cases.primeclerk.com/imerystalc>.

ITC is seeking recognition of the Bidding Procedures Order by the Canadian Court, which request shall be considered at a hearing before the Canadian Court on or before July 3, 2020, or

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (6358), Imerys Talc Vermont, Inc. (9050), and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076.

such later date in accordance with the Canadian Court's availability. The Sale Order will be submitted for recognition by the Canadian Court at a hearing to take place no later than fourteen (14) business days after entry of the Sale Order, or such later date in accordance with the Canadian Court's availability (the "**Sale Recognition Order**").

Set forth below are the bidding procedures approved by the Court (the "**Bidding Procedures**") pursuant to which the Debtors are authorized to conduct an auction (the "**Auction**") for the sale (the "**Sale**") of their assets (collectively, the "**Assets**").²

ASSETS TO BE SOLD

The Debtors are offering the Assets for sale, and Qualified Bidders (as defined below) may submit Bids (as defined below) for all, substantially all, or any part that is less than all of the Assets. For the avoidance of doubt, Qualified Bids (as defined below) (including Stalking Horse Bids (as defined below)) may include Bids for less than all or substantially all of the Assets and the Debtors will consider separate Bids for a portion of the Debtors' businesses, in addition to Bids for substantially all of the Debtors' Assets.

Except as otherwise provided in a purchase agreement (an "**Asset Purchase Agreement**") to be executed by a Successful Bidder (as defined below), all of the Debtors' rights, title, and interest in and to the Assets subject thereto will be sold free and clear of all liens, claims, encumbrances, and other interests (collectively, and as more fully set forth below, the "**Interests**") to the maximum extent permitted by section 363 of the Bankruptcy Code, with such Interests to attach to the proceeds of the Sale of the Assets with the same validity and priority as such Interests applied against the Assets.

As used herein, Interests include all of the following, in each case, to the extent against or with respect to the Debtors, or in, on, or against, or with respect to any of the Assets: liens (as defined in section 101(37) of the Bankruptcy Code, and whether consensual, statutory, possessory, judicial, or otherwise), claims (as defined in section 101(5) of the Bankruptcy Code), debts (as defined in section 101(12) of the Bankruptcy Code), demands under section 524(g) of the Bankruptcy Code, encumbrances, obligations, liabilities, demands, guarantees, actions, suits, defenses, deposits, credits, allowances, options, rights, restrictions, limitations, contractual commitments, rights, or interests of any kind or nature whatsoever, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent,

² On May 15, 2020, the Debtors filed the *Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* and the *Joint Chapter 11 Plan of Reorganization of Imerys Talc America, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* (the "**Plan**"). The Plan contemplates that a non-Debtor affiliate, Imerys Talc Italy S.p.A., may subsequently initiate a chapter 11 filing and become a chapter 11 debtor. In that case, Imerys Talc Italy S.p.A. will seek to have its chapter 11 case jointly administered with the Chapter 11 Cases of ITA, ITV, and ITC (collectively, the "**North American Debtors**") for procedural purposes only. For the avoidance of doubt, the Sale contemplates a sale of the Assets of the North American Debtors only. Imerys Talc Italy S.p.A.'s assets are not being marketed or sold in connection with the Sale or the Plan.

liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise, including, but not limited to, (a) mortgages, deeds of trust, pledges, charges, security interests, hypothecations, encumbrances, easements, servitudes, leases, subleases, rights-of-way, encroachments, restrictive covenants, restrictions on transferability or other similar restrictions, rights of setoff (except for setoffs validly exercised before the Petition Date), rights of use or possession, subleases, leases, conditional sale arrangements, deferred purchase price obligations, or any similar rights; (b) all claims, including, without limitation, all rights or causes of action (whether in law or equity), proceedings, warranties, guarantees, indemnities, rights of recovery, setoff (except for setoffs validly exercised before the Petition Date), indemnity or contribution, obligations, demands, restrictions, indemnification claims, or liabilities relating to any act or omission of the Debtors or any other person, consent rights, options, contract rights, covenants, and interests of any kind or nature whatsoever (known or unknown, matured or unmatured, accrued, or contingent and regardless of whether currently exercisable), whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise; (c) all debts, liabilities, obligations, contractual rights and claims, and labor, employment, and pension claims; (d) any rights that purport to give any party a right or option to effect any forfeiture, modification, right of first offer or first refusal, or consents, or termination of the Debtors' or the purchaser's interest in the Assets, or any similar rights; (e) any rights under labor or employment agreements; (f) any rights under pension, multiemployer plan (as such term is defined in section 3(37) or section 4001(a)(3) of the Employment Retirement Income Security Act of 1974 (as amended, "**ERISA**")), health or welfare, compensation or other employee benefit plans, agreements, practices, and programs, including, without limitation, any pension plans of the Debtors or any multiemployer plan to which any Debtor has at any time contributed to or had any liability or potential liability; (g) any other employee claims related to worker's compensation, occupation disease, or unemployment or temporary disability, including, without limitation, claims that might otherwise arise under or pursuant to (i) ERISA, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the Age Discrimination and Employment Act of 1967 and the Age Discrimination in Employment Act, each as amended, (vii) the Americans with Disabilities Act of 1990, (viii) the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, including, without limitation, the requirements of Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Internal Revenue Code or any similar state law, (ix) state discrimination laws, (x) state unemployment compensation laws or any other similar state laws, (xi) any other state or federal benefits or claims relating to any employment with any Debtor or any of its predecessors, or (xii) the WARN Act (29 U.S.C. §§ 2101, *et seq.*) or any state or other laws of similar effect; (h) any bulk sales or similar law; (i) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, and any taxes arising under or out of, in connection with, or in any way relating to the operation of the Assets or business of the Debtors before the closing of a Sale; (j) any unexpired and executory contract or unexpired lease to which any Debtor is a party that is not assumed; (k) any other excluded liabilities under the Asset Purchase Agreement; and (l) Interests arising under or in connection with any acts, or failures to act, of the Debtors or any of their predecessors, affiliates, or subsidiaries, including, but not limited to, Interests arising under any doctrines of successor liability (to the greatest extent permitted by applicable law), or transferee or vicarious liability, violation of the United States

Securities Act of 1933 (as amended), the United States Securities Exchange Act of 1934 (as amended), or other applicable securities laws or regulations, breach of fiduciary duty, or aiding or abetting breach of fiduciary duty, or any similar theories under applicable law or otherwise.

The Debtors and all parties in interest reserve the right to contest the validity, nature, extent, or priority of or seek to set aside or avoid any and all Interests under applicable law. For the avoidance of doubt, the Debtors will retain all rights to the Assets that are not sold pursuant to a Bid (as defined below) accepted by the Debtors pursuant to these Bidding Procedures and approved by the Court and the Canadian Court.

STALKING HORSE SELECTION PROCESS

To further the Bidding Process (as defined below), the Debtors may, in their reasonable business judgment and after consultation with the Consultation Parties (as defined below) and with the consent of the TCC and the FCR (each as defined below), select and designate one or more stalking horse bidders (each, a “**Stalking Horse Bidder**”), pursuant to terms and conditions satisfying the requirements for Qualified Bids (each such Bid, a “**Stalking Horse Bid**”). The Debtors, in consultation with the Information Officer, the Official Committee of Tort Claimants (the “**TCC**”), and James L. Patton, Jr., as the representative for future talc personal injury claimants (the “**FCR**” and, together with the TCC and the Information Officer, the “**Consultation Parties**”), with the consent of the TCC and the FCR, may (but are not required to): (a) select one or more Potential Bidders (as defined below) to act as a Stalking Horse Bidder for up to substantially all of the Assets, (b) negotiate, with the TCC and FCR, the terms of and enter into one or more purchase agreements with any Stalking Horse Bidder (each, a “**Stalking Horse Agreement**”) (subject to higher or better bids as contemplated herein), and (c) agree to provide some or all of the Bid Protections (as defined below) to such Stalking Horse Bidder(s), with the consent of the TCC and FCR and subject to approval of the Court, after notice and an opportunity to object as set forth below; *provided* that no insider of the Debtors will be selected as a Stalking Horse Bidder or entitled to any Bid Protections. Moreover, no non-Debtor affiliate of the Debtors shall be designated as a Stalking Horse Bidder.

The Debtors request that parties interested in serving as a Stalking Horse Bidder submit non-binding indications of intent to serve as a Stalking Horse Bidder to the Bid Notice Parties³

³ The following parties are the “**Bid Notice Parties**”: (a) the Debtors, 100 Mansell Court East, Suite 300, Roswell, GA 30076 (Attn: Ryan J. Van Meter, Esq. (email: ryan.vanmeter@imerys.com)); (b) counsel to the Debtors, (i) Latham & Watkins LLP (“**Latham**”), 355 S. Grand Avenue, Suite 100, Los Angeles, CA 90071 (Attn: Kimberly A. Posin, Esq., David Zaheer, Esq., and Helena G. Tseregounis, Esq. (emails: kim.posin@lw.com, david.zaheer@lw.com, and helena.tseregounis@lw.com)), and (ii) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Michael J. Merchant, Esq. (email: merchant@rlf.com)); (c) Canadian counsel to the Debtors, Stikeman Elliot LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, ON, Canada M5L 1B9 (Attn: Maria Konyukhova (email: mkonyukhova@stikeman.com)); (d) investment banker to the Debtors, PJT Partners LP (“**PJT**”), 280 Park Avenue, New York, NY 10017 (Attn: Paul Sheaffer and Phillip Smith (emails: sheaffer@pjtpartners.com and smith@pjtpartners.com)); (e) counsel to the TCC, (i) Robinson & Cole LLP, 1201 N. Market St., Suite 1406, Wilmington, DE 19801 (Attn: Natalie D. Ramsey, Esq. and Mark A. Fink, Esq. (emails: nramsey@rc.com and mfink@rc.com)), and (ii) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019 (Attn: Rachel C. Strickland, Esq. and Dan Forman, Esq. (emails:

after such party has been designated a Potential Bidder, all as further described below. Any Potential Bidder desiring to be a Stalking Horse Bidder must submit a proposed Stalking Horse Agreement, meeting all of the requirements of a Qualified Bid, to PJT and counsel to the Debtors. Upon receipt, PJT shall provide a copy of such proposed Stalking Horse Agreement to Ducera, counsel to the TCC, and counsel to the FCR. Any such Stalking Horse Bidder shall be designated by the Debtors with the consent of the TCC and FCR on or before August 28, 2020.

In the event one or more Stalking Horse Bidders are selected, the Debtors will file a notice of entry into any Stalking Horse Agreement(s) (a **“Stalking Horse Notice”**), which notice(s) will include any proposed Stalking Horse Agreement(s) (including a proposed Sale Order with respect thereto) and set forth the terms of the Bid Protections proposed to be given to any Stalking Horse Bidder(s), which will be served upon: (a) all entities known to have expressed an interest in a transaction with respect to some or all of the Assets during the past twelve (12) months; (b) all entities known to have asserted any interest in or upon any Assets; (c) all federal, state, and local regulatory, environmental or taxing authorities or recording offices that have a reasonably known interest in the relief requested by the Motion; (d) the Internal Revenue Service; (e) counsel to the TCC; (f) counsel to the FCR; (g) those parties who have made the appropriate filings requesting notice of all pleadings filed in the Chapter 11 Cases; (h) the Office of the United States Trustee for the District of Delaware (the **“U.S. Trustee”**); (i) the Office of the United States Attorney for the District of Delaware; (j) the Information Officer; and (k) the offices of the attorneys general for the states in which the Debtors operate (collectively, the **“Transaction Notice Parties”**), with no further notice being required.

In the event that any Stalking Horse Bidder is designated, the Transaction Notice Parties will have fourteen (14) calendar days from the filing of a Stalking Horse Notice, if any (the **“Stalking Horse Objection Deadline”**) to file any objection to any proposed Bid Protections related to the Stalking Horse Bid and serve such objection upon the Debtors, counsel to the Debtors, counsel to the TCC, counsel to the FCR, and parties requesting notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure. Once the Stalking Horse Objection Deadline has passed, the Court may enter an order (the **“Stalking Horse Approval Order”**) approving the selection of a Stalking Horse Bid for the purposes of conducting the Auction, and the Bid Protections related thereto either (a) upon certification of counsel, if no objection from any of the Transaction Notice Parties has been received before the Stalking Horse Objection Deadline that was not consensually resolved, or (b) after a hearing, if an objection from any of the Transaction Notice Parties has been received before the Stalking Horse Objection Deadline and not consensually resolved. The Debtors and the Consultation Parties shall each have the right to petition the Bankruptcy Court to be heard on an emergency basis in connection with any objection to the Stalking Horse Notice, Stalking Horse Bidder and/or any proposed Bid Protections (and

rstrickland@willkie.com and dforman@willkie.com)); (f) investment banker to the TCC, Ducera Partners LLC (**“Ducera”**), 499 Park Avenue, Floor 16, New York, NY 10022 (Attn: Agnes Tang and Jason Koh (emails: atang@ducerapartners.com and jkoh@ducerapartners.com)); (g) counsel to the FCR, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Robert S. Brady, Edwin J. Harron, and Sharon M. Zieg); and (h) counsel to the Information Officer, Aird & Berlis LLP, Brookfield Place, 181 Bay Street, Suite 1800, Toronto, Ontario, Canada M5J 2T9 (Attn: Kathryn Esaw (email: kesaw@airdberlis.com)).

each non-moving party shall not object to such moving party’s petition to be heard on an emergency basis).

The Debtors, in consultation with the Consultation Parties, and with the consent of the TCC and FCR, may offer any Stalking Horse Bidder any combination of: (a) a break-up fee (the “**Break-Up Fee**”); (b) reimbursement of all or a portion of the Stalking Horse Bidder’s reasonable fees and expenses, up to an amount to be negotiated (the “**Expense Reimbursement**”); or (c) an initial overbid increment over the total purchase price guaranteed by such Stalking Horse Bidder (the “**Overbid Protection**” and together with the Break-Up Fee and the Expense Reimbursement, the “**Bid Protections**”). Upon entry of the Stalking Horse Approval Order, the proposed Bid Protections will be approved by the Court and will, upon the Debtors’ entry into the respective Stalking Horse Agreement, be granted administrative expense priority under sections 503(b) and 507(a)(2) of the Bankruptcy Code.

KEY DATES

The Bidding Procedures provide interested parties with the opportunity to qualify for and participate in the Auction and to submit Bids for the Assets. The key dates⁴ for the sale process are as follows, each of which may be extended by the Debtors in consultation with the Consultation Parties and with the reasonable consent of the TCC and the FCR:⁵

**Key Proposed Action and Sale-Related Dates
(subject to Court’s availability):**

Event	Proposed Date
Deadline to serve Bidding Procedures Order on Transaction Notice Parties	Within three (3) calendar days of entry of Bidding Procedures Order
Indication of Interest Deadline	July 17, 2020 at 4:00 p.m. (prevailing Eastern Time)
Deadline to select Potential Bidders	July 24, 2020 at 4:00 p.m. (prevailing Eastern Time)
Deadline to select Stalking Horse Bidder, if any	August 28, 2020 at 4:00 p.m. (prevailing Eastern Time)
Stalking Horse Objection Deadline, if any Stalking Horse Notice is filed	Within fourteen (14) calendar days from the filing of a Stalking Horse Notice

⁴ Proposed dates are subject to Court approval.

⁵ Capitalized terms used in this summary and not otherwise defined herein shall have the meaning ascribed to them elsewhere in the Bidding Procedures or in the Bidding Procedures Motions, as applicable.

Event	Proposed Date
Bid Deadline	September 24, 2020 at 4:00 p.m. (prevailing Eastern Time)
Auction (if necessary)	September 29, 2020 at 10:00 a.m. (prevailing Eastern Time)
Deadline to file and serve notice of the Successful Bidder and amount of the Successful Bid	12:00 p.m. (prevailing Eastern Time) the calendar day after the Auction is completed
Sale Objection Deadline	October 7, 2020 at 4:00 p.m. (prevailing Eastern Time)
Sale Hearing	October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)
Hearing in Canadian Proceeding to recognize the Sale Order	Within fourteen (14) business days from entry of the Sale Order

**Key Dates Related to Proposed Assumption and Assignment Procedures
(subject to Court’s availability):**

Event	Proposed Date
Deadline to file Contracts Schedule and serve Cure Notices	July 28, 2020 at 4:00 p.m. (prevailing Eastern Time)
Cure Objection Deadline	Fourteen (14) calendar days after service of the Cure Notice at 4:00 p.m. (prevailing Eastern Time)
Supplemental Cure Objection Deadline	Fourteen (14) calendar days after service of a Supplemental Cure Notice at 4:00 p.m. (prevailing Eastern Time)
Adequate Assurance Objection Deadline; Sale Hearing	October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)

OVERVIEW

The Debtors will, in consultation with the Consultation Parties, (a) coordinate the efforts of Potential Bidders and/or Qualified Bidders, as applicable, in conducting their respective due diligence investigations regarding the Assets; (b) determine whether any Interested Party (as defined below) is a Potential Bidder; (c) receive and evaluate Bids from Qualified Bidders; (d)

administer the Auction; and (e) with the consent of the TCC and FCR, select and designate one or more Potential Bidders, as applicable, to act as a Stalking Horse Bidder and select one or more Stalking Horse Bids (collectively, the “**Bidding Process**”). Neither the Debtors nor their representatives will be obligated to furnish information of any kind whatsoever to any person or entity that is not a Potential Bidder (or their legal counsel and financial advisors). The Debtors and their representatives will use good faith efforts to provide all Potential Bidders with substantially similar access and information, subject to the limitations described herein.

INTERESTED PARTIES

Unless otherwise ordered by the Court or the Canadian Court, to participate in the Bidding Process, each interested person or entity (each, an “**Interested Party**”) must deliver an executed confidentiality agreement (each, a “**Confidentiality Agreement**”) in a form and substance deemed reasonably satisfactory by the Debtors. Upon acceptance of a Confidentiality Agreement by the Debtors, such Interested Party will be granted access to limited Diligence Materials (as defined below).

Thereafter, such Interested Party must deliver a letter (the “**Indication of Interest**”) to PJT on or before July 17, 2020 (the “**Indication of Interest Deadline**”), that includes, but is not limited to, certain information requirements each as more fully set forth in the Process Letter (as defined below), including:

- a. **Identity of Interested Party.** The identity of an Interested Party and any other information that would assist the Debtors, the TCC and the FCR in evaluating the Indication of Interest in general.
- b. **Purchase Price and Financing Sources.** The purchase price an Interested Party would be willing to pay for the Assets or a portion of the Assets, as well as internal and external sources of financing that an Interested Party intends to utilize to fund the proposed purchase price.
- c. **Due Diligence Requirements:** An outline of the due diligence process an Interested Party feels is necessary in order to finalize and complete the Sale.
- d. **Conditions and Approvals:** A description of any conditions or approvals an Interested Party anticipates will need to be satisfied or obtained prior to submitting a Bid, executing definitive documentation, and consummating the Sale.

A comprehensive list of the requirements associated with submission of an Indication of Interest is contained in the Indication of Interest requirement letter in form and substance acceptable to the TCC and the FCR (the “**Process Letter**”) that PJT will provide to Interested Parties that enter into a Confidentiality Agreement with the Debtors. **A Confidentiality Agreement and Process Letter (as applicable) can be obtained from Paul Sheaffer and Phillip Smith, 280 Park Avenue, New York, NY 10017; (212) 364-7800; sheaffer@pjtpartners.com and smith@pjtpartners.com.**

PJT will deliver any and all Indications of Interest to the Bid Notice Parties upon receipt of such Indications of Interest.

Within seven (7) calendar days after the Indication of Interest Deadline, those Interested Parties that submitted Indications of Interests that the Debtors determine meet the requirements set forth above (in their reasonable business judgment following consultation with the Consultation Parties) shall be selected to participate in the second phase of the Bidding Process (each, a “**Potential Bidder**”). All such Interested Parties will be notified by the Debtors of their status as a Potential Bidder or a non-Potential Bidder. Only Potential Bidders may submit Bids; *provided, however,* notwithstanding anything to the contrary herein, that the Debtors may, in consultation with the Consultation Parties, permit an Interested Party that submits an Indication of Interest after the Indication of Interest Deadline to participate in the second phase of the Bidding Process as a Potential Bidder.

In the event that the Debtors determine that any Interested Party that has provided an Indication of Interest by the Indication of Interest Deadline shall not be invited to participate in the second phase of the Bidding Process as a Potential Bidder, the Debtors shall provide prior notice to counsel of each of the TCC and the FCR, and Ducera. The TCC and FCR shall thereafter have forty-eight (48) hours following receipt of such notice to provide advance written notice to the Debtors and PJT that they intend to designate such Interested Party a Potential Bidder (the “**Potential Bidder Designation Right**”). The Debtors, to the extent they wish to contest the TCC and FCRs designation(s) shall thereafter be authorized to petition the Court to be heard, including on an emergency basis (and the TCC and FCR shall not contest the Debtors’ petition to be heard on an emergency basis). The Debtors, TCC and FCR agree that time is of the essence with respect to the sale process contemplated herein and the designation process described in this paragraph shall not delay or otherwise impact the timing of the sale process, including the scheduling of any Auction or Sale Hearing.

DUE DILIGENCE

Communications with Debtors and Access to Diligence Materials

No later than two (2) calendar days after an Interested Party is determined to be a Potential Bidder, the Debtors will deliver to such Potential Bidder (a) an electronic copy of the form asset purchase agreement, acceptable to the TCC and FCR (the “**Form Purchase Agreement**”) and (b) access information for the Debtors’ confidential electronic data room (the “**Data Room**”), which will contain financial and other information concerning the Assets (the “**Diligence Materials**”).

All diligence must be completed before the Bid Deadline (as defined below), *provided that* the Debtors may, in the exercise of their reasonable business judgment and in consultation with the Consultation Parties, extend a Qualified Bidder’s time to conduct due diligence after the Bid Deadline until the Auction. In addition, the Data Room shall be available to the Consultation Parties’ professionals on a professional eyes only basis.

The Debtors reserve the right to withhold any Diligence Materials that the Debtors determine are business-sensitive or otherwise not appropriate for disclosure to a Potential Bidder who is a competitor of the Debtors or is affiliated with any competitor of the Debtors. To the extent the Debtors withhold Diligence Materials from a Potential Bidder, the Debtors will notify the Consultation Parties of the identity of any such Potential Bidder and the Diligence Materials

that were withheld. Neither the Debtors nor their representatives will be obligated to furnish information of any kind whatsoever to any person that is not determined to be a Potential Bidder.

Unless the Debtors determine otherwise, the availability of additional due diligence to a Potential Bidder will cease if (i) the Potential Bidder does not become a Qualified Bidder, from and after the Bid Deadline (subject to the Designation Right); or (ii) the Bidding Process otherwise terminates in accordance with the Bidding Procedures.

All requests for Diligence Materials must be directed to Paul Sheaffer and Phillip Smith, 280 Park Avenue, New York, NY 10017; (212) 364-7800; sheaffer@pjtpartners.com and smith@pjtpartners.com.

Communications with Potential Bidders

Notwithstanding anything to the contrary in these Bidding Procedures, all substantive direct communications between Potential Bidders will involve the Debtors and their advisors to the extent reasonably practicable.

Due Diligence from Potential Bidders

Each Potential Bidder submitting a Bid will comply with all reasonable requests for additional information and due diligence access requested by the Debtors, TCC, FCR or their respective advisors regarding the ability of the Potential Bidder to consummate a contemplated transaction, *provided* that any requests from the TCC, FCR or their respective advisors for additional information and due diligence shall be provided to the Debtors and PJT in the first instance, and the Debtors and/or their advisors shall promptly thereafter pass along such request to the applicable Potential Bidder. Failure by a Potential Bidder to comply with requests for additional information and due diligence access may be a basis for the Debtors, in consultation with the Consultation Parties, to determine that such Potential Bidder is not or is no longer a Potential Bidder or that a bid made by such Potential Bidder is not a Qualified Bid (subject to the Designation Right).

BID REQUIREMENTS

Each bid, offer, solicitation, or proposal a Potential Bidder submits to acquire the Assets (each, a “**Bid**”) must be reasonably determined by the Debtors, in consultation with the Consultation Parties, to satisfy each of the following conditions (unless otherwise agreed by the Debtors) to constitute a “**Qualified Bid**” and for the Potential Bidder to constitute a “**Qualified Bidder**”:

- a. **Bid Deadline**. Each Bid must be transmitted via email (in .pdf and word or similar formats) so as to be actually received on or before 4:00 p.m. (prevailing Eastern Time) on September 24, 2020 (the “**Bid Deadline**”) by the Bid Notice Parties. The Debtors will deliver copies of all Bids received to the Consultation Parties within 24 hours of receipt. Each Bid must be written in English.
- b. **Assets and Purchase Price**. The Bid must clearly identify the Assets to be purchased and the purchase price to be paid for such Assets in U.S. dollars. To the extent such

Bid is for Assets that are subject to a Stalking Horse Bid, the value of the purchase price included in such Bid must equal at least the value of the purchase price set forth in such Stalking Horse Bid plus the amount of the Bid Protections provided to such Stalking Horse Bidder, as set forth in the Stalking Horse Notice describing such Stalking Horse Bid. To the extent such Bid is for Assets that are not subject to a Stalking Horse Bid, such Bid will state the purchase price for such Assets, which will be payable in cash.

- c. Good Faith Deposit. Each Bid must be accompanied by a cash deposit in the amount of 10% of the proposed purchase price into an escrow account to be identified and established by the Debtors, except as may be otherwise agreed by the Debtors and the Consultation Parties (the “**Good Faith Deposit**”).
- d. Executed Agreement. Each Bid for the applicable Assets must include executed transaction documents, signed by an authorized representative of such bidder, pursuant to which the bidder proposes to effectuate a Sale (an “**Alternative Asset Purchase Agreement**”). Each Bid for the Assets must also include a redlined copy of the Alternative Asset Purchase Agreement marked against the Stalking Horse Agreement or, if no Stalking Horse Bidder has been selected, against the Form Purchase Agreement to be provided to bidders by counsel to the Debtors to show all changes requested by the bidder (including the purchase price).
- e. Designation of Assigned Contracts and Leases. A Bid must identify any and all executory contracts and unexpired leases (collectively, “**Contracts**”) of the Debtors that the bidder wishes to be assumed and assigned to the bidder at closing pursuant to a Sale, subject to modification as set forth in the Alternative Asset Purchase Agreement. A Bid must confirm that the bidder will be responsible for any cure costs associated with such assumption, and include a good faith estimate of such cure costs (which estimate may be provided by the Debtors).
- f. Adequate Assurances. A bidder must make a representation that it will be able to provide adequate assurance of future performance under any Contracts to be assumed and assigned under section 365 of the Bankruptcy Code, as well as written evidence that the Debtors, in consultation with the Consultation Parties, believe to be sufficient to demonstrate the foregoing.
- g. Designation of Assumed Liabilities. A Bid must identify all liabilities that the bidder proposes to assume, including without limitation whether the Bid assumes all or a portion of the Debtors’ pension liabilities.
- h. Corporate Authority. A Bid must include written evidence reasonably acceptable to the Debtors, in consultation with the Consultation Parties, demonstrating appropriate corporate authorization to consummate the proposed Sale; *provided* that, if the bidder is an entity specially formed for the purpose of effectuating the Sale, then the bidder must furnish written evidence reasonably acceptable to the Debtors of the approval of the Sale by the equity holder(s) of such bidder.

- i. Disclosure of Identity of Bidder. A Bid must fully disclose the identity of each entity that will be bidding for or purchasing the Assets or otherwise participating in connection with such Bid, and the complete terms of any such participation, including any agreements, arrangements, or understandings concerning a collaborative or joint Bid or any other combination concerning the proposed Bid. A Bid must include a binding representation by the bidder (including all persons comprising such bidder, if a collaborative or joint Bid) that it has not engaged in collusion with any other bidder or other party regarding the Sale of the Assets. A Bid must also provide the identity and contact information for the bidder and full disclosure of any parent companies of the bidder. Nothing contained herein shall preclude the submission of a collaborative or joint Bid, *provided* that such collaborative or joint Bid is subject to the Debtors' prior written consent and the disclosure requirements set forth herein.
- j. Proof of Financial Ability to Perform. A Bid must include written evidence that the Debtors may reasonably conclude, in consultation with their advisors and the Consultation Parties, demonstrates that the bidder has the necessary financial ability to close the Sale and comply with its obligations thereunder, including future satisfaction of all obligations under the Alternative Asset Purchase Agreement and all liabilities to be assumed.
- k. Committed Financing. To the extent that a Bid is not accompanied by evidence of the bidder's capacity to consummate the Sale set forth in its Bid with cash on hand, each Bid must include committed financing such that the Debtors may reasonably conclude, in consultation with their advisors and the Consultation Parties, that the bidder has received sufficient debt and/or equity funding commitments to satisfy the bidder's proposed purchase price and other obligations under its Bid. Such funding commitments or other financing must be unconditional and must not be subject to any internal approvals, and any covenants and conditions shall be acceptable to the Debtors.
- l. Regulatory and Third Party Approvals. A Bid must set forth each regulatory and third-party approval, if any, required for the bidder to consummate the Sale, and the time period within which the bidder expects to receive such regulatory and third-party approvals, and the Debtors, in consultation with the Consultation Parties, may consider in evaluating the Bid, the timing and likelihood of such approvals, and any actions the bidder will need to take to ensure receipt of such approval(s) as promptly as possible. The Bid must contain the affirmative representation of the bidder that the bidder understands and agrees that the bidder will cooperate with the Debtors and the Consultation Parties (at the bidder's cost) in negotiations with any such third parties.
- m. Contingencies. A Bid may not be conditioned on obtaining financing or any internal approval, or on the outcome or review of due diligence. All conditions to completion of the Sale must be set forth in the Alternative Asset Purchase Agreement.

- n. Irrevocable. A Bid must be irrevocable until the Good Faith Deposit has been returned in accordance with the provisions hereof, *provided* that, if such Bid is accepted as the Successful Bid (as defined below) or the Backup Bid (as defined below), such Bid will continue to remain irrevocable through the Outside Backup Date (as defined below).
- o. Compliance with Due Diligence Requests. The bidder submitting a Bid must have complied with reasonable requests for additional information and due diligence access requested by the Debtors, to the reasonable satisfaction of the Debtors, in consultation with the Consultation Parties.
- p. Termination Fees. Other than with respect to any Stalking Horse Bid, no Bid will entitle the bidder to any break-up fee, termination fee, or similar type of payment or reimbursement and, by submitting a Bid, the bidder (including any Stalking Horse Bidder) waives the right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code related in any way to the submission of its Bid or participation in any Auction.
- q. Consent to Jurisdiction. The Bid will state that the bidder consents to the jurisdiction of the Court and the Canadian Court.

A Bid received that meets the above requirements, as determined by the Debtors in their reasonable business judgment, after consultation with the Consultation Parties, will constitute a Qualified Bid for such Assets and the Potential Bidder will constitute a Qualified Bidder; *provided* that, if the Debtors receive a Bid that is not a Qualified Bid, the Debtors, may provide the Potential Bidder with the opportunity to remedy any deficiencies before the Auction in order to render such Bid a Qualified Bid; *provided, further*, that for the avoidance of doubt, if any Potential Bidder fails to comply with reasonable requests for additional information and due diligence access requested by the Debtors to the satisfaction of the Debtors, the Debtors may, after consulting with the Consultation Parties, disqualify any Potential Bidder and Bid and such Potential Bidder will not be entitled to attend or participate in the Auction (subject to the Designation Right); *provided, further*, that any Stalking Horse Bid will constitute a Qualified Bid. The Debtors may also waive or modify any of the above requirements in the exercise of their reasonable business judgment after consultation with the Consultation Parties.

In the event that the Debtors determine that any Potential Bidder that has provided a Bid by the Bid Deadline shall not become a Qualified Bidder, the Debtors shall provide prior notice to counsel of each of the TCC and the FCR, and Ducera. The TCC and FCR shall thereafter have forty-eight (48) hours following receipt of such notice to designate any such Potential Bidder a Qualified Bidder (the “**Qualified Bidder Designation Right**” and together with the Potential Bidder Designation Right, the “**Designation Right**”). The Debtors, to the extent they wish to contest the TCC and FCRs designation(s) shall thereafter be authorized to petition the Court to be heard, including on an emergency basis (and the TCC and FCR shall not contest the Debtors’ petition to be heard on an emergency basis). The Debtors, TCC and FCR agree that time is of the essence with respect to the sale process contemplated herein and the designation process described in this paragraph shall not delay or otherwise impact the timing of the sale process, including the scheduling of any Auction or Sale Hearing.

The Debtors, in consultation with the Consultation Parties, may accept a single Qualified Bid or multiple Bids for non-overlapping material portions of the Assets that, if taken together in the aggregate, would otherwise meet the standards for a single Qualified Bid. The Debtors, in consultation with the Consultation Parties, may also permit otherwise Qualified Bidders who submitted Bids by the Bid Deadline for a material portion of the Assets but who were not identified as a component of a single Qualified Bid consisting of multiple Bids, to participate in the Auction and to submit higher or otherwise better bids that in subsequent rounds of bidding may be considered, together with other Bids for non-overlapping material portions of the Assets, as part of such a single Qualified Bid.

For the avoidance of doubt, and if applicable, each Stalking Horse Bidder is deemed a Qualified Bidder for all purposes, and each Stalking Horse Agreement constitutes a Qualified Bid for the Assets for all purposes.

AUCTION

If two or more Qualified Bids (including any Stalking Horse Bid) are received by the Bid Deadline, the Debtors shall conduct an Auction to determine the highest or otherwise best Qualified Bid or combination of Bids for the Assets or any portion thereof. The Debtors will have the right, in consultation with the Consultation Parties and with the reasonable consent of the TCC and the FCR, to adjourn or cancel the Auction at any time either by delivering notice of such adjournment or cancellation to all Qualified Bidders or announcing such adjournment or cancellation on the record before the Court or on the record at the Auction(s); *provided further*, that the Debtors will have the right to conduct any number of Auctions on such date to accommodate Qualified Bids for certain, but less than all, of the Assets if the Debtors determine, in consultation with the Consultation Parties and with the reasonable consent of the TCC and the FCR, that such process would be in the best interest of the Debtors' estates. The Debtors will confirm to all Qualified Bidders that submitted Qualified Bids the time and place of the Auction and any adjournments thereof.

The Qualified Bid or combination of Bids selected by the Debtors, as the highest or best Bid or combination of Bids following the Bid Deadline, and before the start of the Auction, will be identified to all other Qualified Bidders at or before the start of the Auction (the "**Baseline Bid**"). For the avoidance of doubt, the valuation of any non-cash component of any Bid or combination of Bids related to the foregoing shall be subject to the consent of the TCC and the FCR.

AUCTION PROCEDURES

The Auction, if necessary, will take place beginning on **September 29, 2020 at 10:00 a.m. (prevailing Eastern Time)** at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022, or such other place and time as the Debtors will notify all Qualified Bidders with the reasonable consent of the TCC and the FCR. All creditors of the Debtors and the U.S. Trustee may attend the Auction, provided that such party sends an email to the Bid Notice Parties, indicating that they intend to attend the Auction no less than seven (7) calendar days prior to the Auction. If the location of the Auction is changed, the Debtors will file a notice at least 24 hours before the Auction indicating such change, and will serve the same on all Qualified Bidders

and any creditors that have made a request for such service to Debtors' counsel at least two (2) calendar days before the Auction.

The Auction will be conducted according to the following procedures, which procedures will be subject to modification by the Debtors, as the Debtors, in consultation with the Consultation Parties and with the reasonable consent of the TCC and the FCR, deem necessary to better promote the goals of the Auction and to comply with their fiduciary obligations. For the avoidance of doubt, the Debtors, in consultation with the Consultation Parties and with the reasonable consent of the TCC and the FCR, may adopt any procedures for the Auction that the Debtors believe, in the exercise of their reasonable business judgment, will maximize value, including, but not limited to, conducting separate Auctions for discrete pools of Assets.

Participation

Only Qualified Bidders (or duly-authorized representatives), and such other parties as determined by the Debtors, in consultation with the Consultation Parties, will be entitled to make any Bids at the Auction. The Auction may be conducted in person or by video conference as may be determined by the Debtors in consultation with the Consultation Parties.

Debtors Will Conduct Auction

The Debtors and their advisors will direct and preside over the Auction in consultation with the Consultation Parties. The Auction will be fairly and evenly administered, and not intended to cause any participating Qualified Bidder to be disadvantaged in any material way with respect to the process as compared to any other participating Qualified Bidder. All participating Qualified Bidders will be entitled to be present for all bidding with the understanding that the true identity of each bidder (*i.e.*, the principals submitting each bid) may be fully disclosed to all other participating Qualified Bidders and that all material terms of each Qualified Bid may be fully disclosed to all other bidders throughout the entire Auction. In addition, the true identities of each Bidder and all terms of each Qualified Bid shall be fully disclosed to each of the Consultation Parties. Each Bid by a Qualified Bidder at the Auction, if not inconsistent with the provisions of these Bidding Procedures, will be deemed to constitute a Qualified Bid.

The Debtors, in consultation with the Consultation Parties, will conduct the Auction in the manner they reasonably determine will result in the highest or otherwise best Qualified Bid or combination of Bids that would otherwise meet the standards for a single Qualified Bid. In addition, at the start of the Auction, the Debtors will describe the terms of the Baseline Bid. Each Qualified Bidder participating in the Auction must confirm that it (a) has not engaged in any collusion with respect to the bidding or sale of any of the Assets, (b) reviewed, understands, and accepts the Bidding Procedures, and (c) consents to the core jurisdiction of the Court and the Canadian Court (as described more fully below). The Auction will be transcribed and all Qualified Bids will be made and confirmed on the record.

Terms of Overbids

An “**Overbid**” is any Bid made at the Auction after the Debtors’ announcement of the Baseline Bid. Any Overbid for purposes of the Auction must comply with the following conditions:

- a. **Initial Bid.** At the commencement of the Auction, the Debtors will announce the Baseline Bid for the applicable Assets.
- b. **Minimum Bid Increments.** Any Overbid after and above the Baseline Bid will be made in increments in an amount to be announced at the Auction. In order to maximize value, the Debtors reserve the right, in consultation with the Consultation Parties, and with the consent of the TCC and FCR, to announce reductions or increases in the minimum incremental Bids (or in valuing such Bids) at any time during the Auction. Additional consideration in excess of the amount set forth in the respective Baseline Bid may include cash or non-cash consideration; *provided, however,* that the value for such non-cash consideration will be determined by the Debtors, subject to the consent of the TCC and FCR.
- c. **Overbid Alterations.** An applicable Overbid may contain alterations, modifications, additions, or deletions of any terms of the Bid no less favorable to the Debtors’ estates than any prior Bid or Overbid, as determined in the Debtors’ reasonable business judgment, in consultation with the Consultation Parties, but will otherwise comply with the terms of these Bidding Procedures. Any Overbid must comply with the conditions for a Qualified Bid.
- d. **Announcing Highest Bid.** Following the initial round of bidding, the Debtors will announce whether the Debtors have identified an Overbid as being higher or otherwise better than the Baseline Bid for the applicable Assets, or in subsequent rounds, the Overbid previously designated by the Debtors as the prevailing highest or otherwise best Bid for the applicable Assets (the “**Prevailing Highest Bid**”). The Debtors will describe to all Qualified Bidders the material terms of any new Overbid designated by the Debtors as the Prevailing Highest Bid as well as the value attributable by the Debtors to such Prevailing Highest Bid.
- e. **Consideration of Overbids.** The Debtors reserve the right, in their reasonable business judgment and in consultation with the Consultation Parties, to adjourn the Auction one or more times for up to 24 hours (or longer, with the consent of the TCC and the FCR) to, among other things: (a) facilitate discussions among the Debtors, the TCC, FCR and any Qualified Bidders; (b) allow Qualified Bidders to consider how they wish to proceed; (c) provide Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors may require and the TCC and the FCR may request (provided that any requests for additional evidence from the TCC and the FCR shall be provided to the Debtors and PJT in the first instance, and the Debtors and/or their advisors shall promptly thereafter pass along such request to the applicable bidder) including that the Qualified Bidder has sufficient internal resources or has received sufficient non-contingent debt or equity funding commitments to consummate the proposed transaction at the

prevailing Overbid amount; and (d) to provide the Debtors, in consultation with the Consultation Parties, with an opportunity to consider how to value each Overbid.

Additional Procedures

The Debtors, after consulting with the Consultation Parties and with the reasonable consent of the TCC and the FCR, may announce at the Auction additional procedural rules that are reasonable under the circumstances for conducting the Auction.

Consent to Jurisdiction and Authority as Condition to Bidding

All Qualified Bidders will be deemed to have (a) consented to the core jurisdiction of the Court and/or the Canadian Court to enter an order or orders, which will be binding in all respects, in any way related to the Debtors, the Chapter 11 Cases, the Bidding Procedures, the Auction, the Asset Purchase Agreement, any Alternative Asset Purchase Agreement, or the construction and enforcement of documents relating to any Sale, (b) waived any right to a jury trial in connection with any disputes relating to the Debtors, the Chapter 11 Cases, the Bidding Procedures, the Auction, the Asset Purchase Agreement, any Alternative Asset Purchase Agreement, or the construction and enforcement of documents relating to any Sale, and (c) consented to the entry of a final order or judgment in any way related to the Debtors, the Chapter 11 Cases, the Bidding Procedures, the Auction, the Asset Purchase Agreement, any Alternative Asset Purchase Agreement, or the construction and enforcement of documents relating to any Sale if it is determined that the Court would lack Article III jurisdiction to enter such final order or judgment absent the consent of the parties.

Sale Will Be As Is/Where Is

Except as expressly provided in the Asset Purchase Agreement approved by the Sale Order, or the Sale Recognition Order, the Assets or any other assets of the Debtors sold pursuant to the Bidding Procedures, will be conveyed at the closing of a Sale with a Successful Bidder in their then-present condition, “AS IS, WHERE IS, WITH ALL FAULTS, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED.”

Closing the Auction

The Auction may continue until the Debtors, in their reasonable business judgment, and following consultation with the Consultation Parties, and with the consent of the TCC and FCR, select the highest or otherwise best Qualified Bid or combination of Bids at the Auction that would otherwise meet the standards for a single Qualified Bid (such Bid, the “**Successful Bid**,” and the Qualified Bidder submitting such Successful Bid, the “**Successful Bidder”). The Successful Bid may consist of a single Qualified Bid or multiple Bids that would otherwise meet the standards for a single Qualified Bid. The determination of what constitutes the Successful Bid will take into account any factors the Debtors, following consultation with the Consultation Parties, and with the consent of the TCC and FCR, reasonably deem relevant to the value of the Qualified Bid to the Debtors’ estates. Notwithstanding the foregoing, a determination of the value of any non-cash component of any Qualified Bid or combination of Bids is subject to the consent of the TCC and the FCR. For the avoidance of doubt, the Debtors and the Consultation Parties reserve their rights to petition the Bankruptcy Court to be heard on any dispute related to the foregoing.**

If no Qualified Bid is submitted by a Qualified Bidder by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn after the Bid Deadline, then the Debtors will cancel the Auction and, if applicable, accept the Stalking Horse Bid (in which case, the Successful Bid will be the Stalking Horse Bid, and the Successful Bidder will be the Stalking Horse Bidder). Unless otherwise required pursuant to the Debtors' fiduciary duties, no bids will be accepted or considered by the Debtors after the conclusion of the Auction.

By noon (prevailing Eastern Time) the calendar day after the Auction is completed, the Debtors will announce the Successful Bid, Successful Bidder, and Backup Bid and will file with the Court, but not serve, a notice of the Successful Bid, Successful Bidder, Backup Bid, and the Sale Hearing (as defined below). At that same time, the Debtors will serve notice of the same by fax, email, or (if neither is available) overnight courier to all creditors or contract counterparties that made a request for such service to Debtors' counsel at least two (2) calendar days before the Auction.

The Debtors' presentation of a particular Qualified Bid to the Court does not constitute the Debtors' acceptance of the Bid.

Backup Bidder

Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the Qualified Bidder(s) with the next highest or otherwise best Bid or combination of Bids at the Auction, as determined by the Debtors, in the exercise of their reasonable business judgment, with the reasonable consent of the TCC and the FCR, and after consultation with the Consultation Parties, will be designated as the backup bidder (the "**Backup Bidder**"). The Backup Bidder will be required to keep its initial Bid (or if the Backup Bidder submitted one or more Overbids at the Auction, the Backup Bidder's final Overbid) (the "**Backup Bid**") open and irrevocable until the date (the "**Outside Backup Date**") that is the earlier of (a) the date that is thirty (30) calendar days after the date of entry of the Sale Order, or (b) the closing date of the Sale with the Successful Bidder.

Following the hearing to consider approval of the Sale (the "**Sale Hearing**") and entry of the order approving the Sale (the "**Sale Order**"), if the Successful Bidder fails to consummate an approved Sale, the Backup Bidder will be deemed to be the Successful Bidder, and the Backup Bid shall be deemed the Successful Bid, and the Debtors will be authorized, but not required, without further order of the Court, to consummate the Sale with the Backup Bidder. In such case of a breach or failure to perform on the part of the Successful Bidder (including any Backup Bidder designated as a Successful Bidder), the defaulting Successful Bidder's deposit will be forfeited to the Debtors. The Debtors, on their behalf and on behalf of their estates, specifically reserve the right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder) in accordance with the terms of the Bidding Procedures.

SALE HEARING

The Sale Hearing will be conducted by the Court on **October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)** and may be adjourned or rescheduled, in consultation with the

Consultation Parties and with the reasonable consent of the TCC and the FCR, by an announcement of the adjourned date at the Sale Hearing or by the filing of a hearing agenda. At the Sale Hearing, the Debtors will seek Court approval of the Successful Bid(s) and the Backup Bid(s). Unless the Court orders otherwise, the Sale Hearing will be an evidentiary hearing on matters relating to the Sale and there will be no further bidding at the Sale Hearing. In the event that the Successful Bidder(s) cannot or refuses to consummate the Sale because of the breach or failure on the part of the Successful Bidder(s), the Backup Bidder(s) will be deemed the new Successful Bidder(s) and the Debtors will be authorized, but not required, to close with the Backup Bidder on the Backup Bid without further order of the Court.

The Debtors will sell the Assets to the Successful Bidder(s) only upon the approval of its Successful Bid(s) by the Court after the Sale Hearing and the Canadian Court after entry of the Sale Recognition Order. The Debtors' presentation of a particular Qualified Bid to the Court for approval does not constitute the Debtors' acceptance of the Bid. The Debtors will be deemed to have accepted a Bid only when the Bid has been approved by the Court at the Sale Hearing.

BID PROTECTIONS

To provide an incentive and to compensate any Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary and entering into a binding Stalking Horse Agreement with the knowledge and risk that arises from participating in the sale and Bidding Process, the Debtors may agree to provide (with the consent of the TCC and FCR and subject to Court approval as set forth above and in the Bidding Procedures Order) to each Stalking Horse Bidder, under the conditions and in the amount set forth in the Bidding Procedures Order, (a) a Break-Up Fee; (b) an Expense Reimbursement; and/or (c) an Overbid Protection. Upon entry of the Stalking Horse Approval Order, the proposed Bid Protections will be approved by the Court and will, upon the Debtors' entry into the respective Stalking Horse Agreement, be granted administrative expense priority under Bankruptcy Code sections 503(b) and 507(a)(2) and will be paid directly out of the proceeds of the Sale.

RETURN OF GOOD FAITH DEPOSITS

The Good Faith Deposits of all Qualified Bidders will be held in one or more escrow accounts by the Debtors, but will not become property of the Debtors' estates, or subject to the claims, liens, security interests, or encumbrances of the Debtors' creditors, unless and until such amounts are actually released to the Debtors as provided herein, absent further Court order. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the Backup Bidder will be returned to such Qualified Bidder not later than five (5) calendar days after entry of the Sale Order. The Good Faith Deposit of the Backup Bidder, if any, will be returned to the Backup Bidder on the date that is no more than 72 hours after the Outside Backup Date. If the Successful Bidder timely closes the Successful Bid, its Good Faith Deposit will be first credited towards the Break-Up Fee and Expense Reimbursement, if any, and then credited towards the purchase price.

RESERVATION OF RIGHTS

The Debtors reserve the right, as they may reasonably determine to be in the best interest of their estates, in consultation with the Consultation Parties, to: (a) determine which Interested Parties qualify as Potential Bidders; (b) determine which Bids are Qualified Bids and which bidders are Qualified Bidders; (c) select one or more Stalking Horse Bidders (if any); (d) determine which Qualified Bid is the highest or otherwise best Bid or combination of Bids and which is the next highest or otherwise best Bid or combination of Bids; (e) reject any Bid that is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, (3) contrary to the best interests of the Debtors and their estates, or (4) subject to any financing contingency or otherwise not fully financed; (f) waive terms and conditions set forth herein with respect to all Potential Bidders; (g) impose additional terms and conditions with respect to all Potential Bidders; (h) extend the deadlines set forth herein; (i) continue or cancel the Auction or Sale Hearing in open court without further notice; and (j) modify the Bidding Procedures and implement additional procedural rules that the Debtors determine, in their reasonable business judgment, and in consultation with the Consultation Parties, will better promote the goals of the Bidding Process; *provided* that subsections (c), (e), and (g) through (j) shall be subject to the consent of the TCC and the FCR; *provided further* that the valuation of any non-cash component of any Bid or combination of Bids shall be subject to the consent of the TCC and the FCR.

Any of the deadlines contained herein may be extended or modified by the Debtors with the reasonable consent of the TCC and the FCR. All such extensions or modifications to the deadlines will be included on the Debtors' website maintained by Prime Clerk. To the extent a deadline is extended by more than five (5) business days, a notice of such extension will be served on the Transaction Notice Parties.

To the extent there is a dispute between the Debtors on the one hand, and the TCC and/or the FCR, on the other hand, regarding any of the matters contemplated in the Bidding Procedures or the Bidding Procedures Order, the Debtors, the TCC and the FCR each expressly reserve the right to petition the Court to resolve such dispute (and may do so on an emergency basis and each non-moving party shall not object to such moving party's petition to be heard on an emergency basis). For the avoidance of doubt and without limiting any of the foregoing, the right to petition the Court described in this paragraph includes the right to seek Court resolution of any matters in which the TCC and the FCR have consent rights pursuant to the Bidding Procedures and/or the Bidding Procedures Order or otherwise with respect to the sale process and the Debtors, on the one hand, and the TCC and/or the FCR, on the other hand, are unable to reach a consensus regarding such matters. The Debtors, TCC and FCR agree that time is of the essence with respect to the sale process contemplated herein.

FIDUCIARY OUT

Nothing in these Bidding Procedures will require the Debtors, the TCC or FCR to take any action, or refrain from taking any action, with respect to these Bidding Procedures to the extent the Debtors, the TCC or the FCR (each solely with respect to themselves) determine that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or their fiduciary obligations.

EXHIBIT 2

Auction and Sale Notice

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

	X	
In re:	:	Chapter 11
	:	
IMERYYS TALC AMERICA, INC., <i>et al.</i> , ¹	:	Case No. 19-10289 (LSS)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	
	X	

NOTICE OF SALE, BIDDING PROCEDURES, AUCTION, AND SALE HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On May 15, 2020, Imerys Talc America, Inc. (“**ITA**”), Imerys Talc Vermont, Inc. (“**ITV**”), and Imerys Talc Canada Inc. (“**ITC**” and, together with ITA and ITV, collectively, the “**Debtors**”), the debtors and debtors-in-possession in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), filed a motion [Docket No. 1718] (the “**Bidding Procedures Motion**”) seeking entry: (a) of an order (the “**Bidding Procedures Order**”)² (i) authorizing and approving bidding procedures (the “**Bidding Procedures**”) for the sale (the “**Sale**”) of all or substantially all of the Debtors’ assets (collectively, the “**Assets**”), (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases (collectively, the “**Contracts**”) and the determination of amounts necessary to cure all monetary defaults thereunder (collectively, the “**Cure Amounts**”), (iii) establishing procedures in connection with the selection of a Stalking

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (6358), Imerys Talc Vermont, Inc. (9050), and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Bidding Procedures or the Bidding Procedures Motion, as applicable. A copy of the Bidding Procedures is attached as Exhibit 1 to the Bidding Procedures Order.

Horse Bidder, if any, and protections to be afforded thereto, (iv) scheduling an auction of the Assets (the “**Auction**”) for September 29, 2020, (v) scheduling a hearing to consider approval of any Sale (the “**Sale Hearing**”) to be held on October 14, 2020, (vi) approving the form and manner of notice in connection with the foregoing, and (vii) granting related relief; and (b) one or more orders (each, a “**Sale Order**”), as applicable, authorizing and approving: (i) the sale of the Assets free and clear of all liens, claims, encumbrances, and other interests (collectively, and as more fully set forth below, “**Interests**”) to the winning bidder (the “**Successful Bidder**”) pursuant to a purchase agreement to be executed by the Successful Bidder (an “**Asset Purchase Agreement**”), (ii) the assumption and assignment of certain Contracts, and (iii) granting related relief.

2. On [●], 2020, the Court entered the Bidding Procedures Order [Docket No. [___]]. Pursuant to the Bidding Procedures Order, any person or entity that was interested in participating in the Bidding Process was required to submit an Indication of Interest to PJT. PJT then delivered the Indication of Interest to the following parties (excluding (d) below): (a) the Debtors, 100 Mansell Court East, Suite 300, Roswell, GA 30076 (Attn: Ryan J. Van Meter, Esq. (email: ryan.vanmeter@imerys.com)); (b) counsel to the Debtors, (i) Latham & Watkins LLP (“**Latham**”), 355 S. Grand Avenue, Suite 100, Los Angeles, CA 90071 (Attn: Kimberly A. Posin, Esq., David Zaheer, Esq., and Helena G. Tseregounis, Esq. (emails: kim.posin@lw.com, david.zaheer@lw.com, and helena.tseregounis@lw.com)), and (ii) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Michael J. Merchant, Esq. (email: merchant@rlf.com)); (c) Canadian counsel to the Debtors, Stikeman Elliot LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, ON, Canada M5L 1B9 (Attn: Maria Konyukhova (email: mkonyukhova@stikeman.com)); (d) investment banker to the Debtors, PJT Partners LP, 280 Park Avenue, New York, NY 10017 (Attn: Paul Sheaffer and Phillip Smith

(emails: sheaffer@pjtpartners.com and smith@pjtpartners.com)), (e) counsel to the TCC, (i) Robinson & Cole LLP, 1201 N. Market St., Suite 1406, Wilmington, DE 19801 (Attn: Natalie D. Ramsey, Esq. and Mark A. Fink, Esq. (emails: nramsey@rc.com and mfink@rc.com)), and (ii) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019 (Attn: Rachel C. Strickland, Esq. and Dan Forman, Esq. (emails: rstrickland@willkie.com and dforman@willkie.com)); (f) investment banker to the TCC, Ducera Partners LLC, 499 Park Avenue, Floor 16, New York, NY 10022 (Attn: Agnes Tang and Jason Koh (emails: atang@ducerapartners.com and jkoh@ducerapartners.com)); (g) counsel to the FCR, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Robert S. Brady, Esq., Edwin J. Harron, Esq. and Sharon M. Zieg, Esq. (emails: rbrady@ycst.com, eharron@ycst.com and szieg@ycst.com)); and (h) counsel to the Information Officer, Aird & Berlis LLP, Brookfield Place, 181 Bay Street, Suite 1800, Toronto, Ontario, Canada M5J 2T9 (Attn: Kathryn Esaw (email: kesaw@airdberlis.com)) (collectively, the “**Bid Notice Parties**”) on or before July 17, 2020, at 4:00 p.m. (prevailing Eastern Time) (the “**Indication of Interest Deadline**”).

3. Within seven (7) calendar days after the Indication of Interest Deadline, the Debtors, in consultation with the Consultation Parties, selected certain of the Interested Parties to participate in the second phase of the Bidding Process (the “**Potential Bidders**”). All parties that submitted an Indication of Interest were notified of their status as a Potential Bidder or a non-Potential Bidder.

4. **Only Potential Bidders may submit Qualified Bids**; *provided, however,* notwithstanding anything to the contrary in the Bidding Procedures, that the Debtors may, in consultation with the Consultation Parties, permit an Interested Party that submits an Indication of

Interest after the Indication of Interest Deadline to participate in the second phase of the Bidding Process as a Potential Bidder. All parties interested in submitting a bid for all or any portion of the Assets should carefully review the Bidding Procedures and the Bidding Procedures Order.

5. Any Potential Bidder interested in participating in the Auction must submit a Qualified Bid for the Assets to the Bid Notice Parties on or before **September 24, 2020, at 4:00 p.m. (prevailing Eastern Time)** (the “**Bid Deadline**”).

6. If the Debtors receive two or more timely Qualified Bids with an acceptable purchase price by the Bid Deadline, the Debtors will conduct the Auction. All creditors and the U.S. Trustee may attend the Auction provided that such party sends an email to the Bid Notice Parties indicating that they intend to attend the Auction no less than seven (7) calendar days prior to the Auction. The Auction, if necessary, will take place on **September 29, 2020 at 10:00 a.m. (prevailing Eastern Time)** at the offices of Latham, 885 Third Avenue, New York, New York 10022, or such other place and time as the Debtors will notify all Qualified Bidders that have submitted Qualified Bids.

7. By noon (prevailing Eastern Time) the calendar day after the Auction is completed, the Debtors will announce the Successful Bid, Successful Bidder, and Backup Bid and will file with the Court, but not serve, a notice of the Successful Bid, Successful Bidder, Backup Bid, and the Sale Hearing. At that same time, the Debtors will serve notice of the same by fax, email or (if neither is available) overnight courier to all creditors or contract counterparties that made a request for such service to Debtors’ counsel at least two (2) calendar days before the Auction.

8. Any and all objections, if any, to the Sale and entry of the Sale Order with respect thereto (a “**Sale Objection**”) must be filed with the Court (824 N. Market Street, 3rd Floor,

Wilmington, DE 19801) and served on the Objection Notice Parties³ by 4:00 p.m. (prevailing Eastern Time) on October 7, 2020 (the “**Sale Objection Deadline**”).

9. Except as otherwise provided in a purchase agreement, any Sale will be free and clear of all Interests, with such Interests to attach to the proceeds of the sale of the Assets with the same validity and priority as such Interests applied against the Assets. As used herein, Interests include all of the following, in each case, to the extent against or with respect to the Debtors, or in, on, or against, or with respect to any of the Assets: liens (as defined in section 101(37) of the Bankruptcy Code, and whether consensual, statutory, possessory, judicial, or otherwise), claims (as defined in section 101(5) of the Bankruptcy Code), debts (as defined in section 101(12) of the Bankruptcy Code), demands under section 524(g) of the Bankruptcy Code, encumbrances, obligations, liabilities, demands, guarantees, actions, suits, defenses, deposits, credits, allowances, options, rights, restrictions, limitations, contractual commitments, rights, or interests of any kind or nature whatsoever, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise, including, but not limited to, (a) mortgages, deeds of trust, pledges, charges, security interests, hypothecations, encumbrances, easements, servitudes, leases, subleases, rights-of-way, encroachments, restrictive covenants, restrictions on transferability or other similar restrictions, rights of setoff (except for setoffs validly exercised before the Petition Date), rights of

³ The following parties are the “**Objection Notice Parties**”: (a) the Debtors; (b) counsel to the Debtors; (c) the U.S. Trustee; (d) counsel to the TCC; (e) counsel to the FCR; and (f) any Successful Bidders.

use or possession, subleases, leases, conditional sale arrangements, deferred purchase price obligations, or any similar rights; (b) all claims, including, without limitation, all rights or causes of action (whether in law or equity), proceedings, warranties, guarantees, indemnities, rights of recovery, setoff (except for setoffs validly exercised before the Petition Date), indemnity or contribution, obligations, demands, restrictions, indemnification claims, or liabilities relating to any act or omission of the Debtors or any other person, consent rights, options, contract rights, covenants, and interests of any kind or nature whatsoever (known or unknown, matured or unmatured, accrued, or contingent and regardless of whether currently exercisable), whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise; (c) all debts, liabilities, obligations, contractual rights and claims, and labor, employment, and pension claims; (d) any rights that purport to give any party a right or option to effect any forfeiture, modification, right of first offer or first refusal, or consents, or termination of the Debtors' or the purchaser's interest in the Assets, or any similar rights; (e) any rights under labor or employment agreements; (f) any rights under pension, multiemployer plan (as such term is defined in section 3(37) or section 4001(a)(3) of the Employment Retirement Income Security Act of 1974 (as amended, "**ERISA**")), health or welfare, compensation or other employee benefit plans, agreements, practices, and programs, including, without limitation, any pension plans of the Debtors or any multiemployer plan to which any Debtor has at any time contributed to or had any liability or potential liability; (g) any other employee claims related to worker's compensation, occupation disease, or unemployment or temporary disability, including, without limitation, claims that might otherwise arise under or pursuant to (i) ERISA, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the

Age Discrimination and Employment Act of 1967 and the Age Discrimination in Employment Act, each as amended, (vii) the Americans with Disabilities Act of 1990, (viii) the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, including, without limitation, the requirements of Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Internal Revenue Code or any similar state law, (ix) state discrimination laws, (x) state unemployment compensation laws or any other similar state laws, (xi) any other state or federal benefits or claims relating to any employment with any Debtor or any of its predecessors, or (xii) the WARN Act (29 U.S.C. §§ 2101, *et seq.*) or any state or other laws of similar effect; (h) any bulk sales or similar law; (i) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, and any taxes arising under or out of, in connection with, or in any way relating to the operation of the Assets or business of the Debtors before the closing of a Sale; (j) any unexpired and executory contract or unexpired lease to which any Debtor is a party that is not assumed; (k) any other excluded liabilities under the Asset Purchase Agreement; and (l) Interests arising under or in connection with any acts, or failures to act, of the Debtors or any of their predecessors, affiliates, or subsidiaries, including, but not limited to, Interests arising under any doctrines of successor liability (to the greatest extent permitted by applicable law), or transferee or vicarious liability, violation of the United States Securities Act of 1933 (as amended), the United States Securities Exchange Act of 1934 (as amended), or other applicable securities laws or regulations, breach of fiduciary duty, or aiding or abetting breach of fiduciary duty, or any similar theories under applicable law or otherwise.

10. The Sale Hearing will take place on **October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)** before the Honorable Laurie S. Silverstein, United States Bankruptcy Judge, in the Court, located at 824 N. Market St, 6th Floor, Wilmington, DE 19801. The Debtors' presentation

to the Court for approval of a Successful Bid does not constitute the Debtors' acceptance of such bid. The terms of a Successful Bid shall be binding on the Debtors only when such bid has been approved by the Court pursuant to a Sale Order.

11. The Debtors reserve the right to, in their reasonable business judgment, and in consultation with the Consultation Parties and with the reasonable consent of the TCC and the FCR, modify the Bidding Procedures at any time, including, without limitation, to extend the deadlines and proposed dates set forth therein, including extending the Bid Deadline, modifying the date of the Auction, and adjourning or rescheduling the Sale Hearing. Any extensions or modifications to the deadlines contained in the Bidding Procedures will be included on the website maintained by the Debtors' claims and noticing agent, Prime Clerk LLC ("Prime Clerk"), at <https://cases.primeclerk.com/imerystal>. To the extent a deadline is extended by more than five (5) business days, a notice of such extension will be served on the Transaction Notice Parties.⁴ This notice is subject to the fuller terms and conditions set forth in the Bidding Procedures Order and the Bidding Procedures.

12. Parties interested in receiving additional information, including, with regard to the Sale, the Assets, the Auction, or the Bidding Procedures, may make requests to (a) counsel to the Debtors, (i) Latham & Watkins LLP, 355 S. Grand Avenue, Suite 100, Los Angeles, CA 90071 (Attn: Kimberly A. Posin, Esq., David Zaheer, Esq., and Helena G. Tseregounis, Esq. (emails:

⁴ The Transaction Notice Parties include: (a) all entities known to have expressed an interest in a transaction with respect to some or all of the Assets during the past twelve (12) months; (b) all entities known to have asserted any interest in or upon any of Assets; (c) all federal, state and local regulatory, environmental or taxing authorities or recording offices that have a reasonably known interest in the relief requested by the Motion; (d) the Internal Revenue Service; (e) counsel to the TCC; (f) counsel to the FCR; (g) those parties who have made the appropriate filings requesting notice of all pleadings filed in the Chapter 11 Cases; (h) the U.S. Trustee; (i) the Office of the United States Attorney for the District of Delaware; (j) the Information Officer; and (k) the offices of the attorneys general for the states in which the Debtors operate.

kim.posin@lw.com, david.zaheer@lw.com, and helena.tseregounis@lw.com)), and (ii) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Michael J. Merchant, Esq. (email: merchant@rlf.com)); and (b) investment banker to the Debtors, PJT Partners LP, 280 Park Avenue, New York, NY 10017 (Attn: Paul Sheaffer and Phillip Smith (emails: sheaffer@pjtpartners.com and smith@pjtpartners.com)).

13. Copies of the Bidding Procedures Motion, Bidding Procedures, all exhibits and schedules thereto, the Bidding Procedures Order, this notice, and the Contracts Schedule, and certain other documents relevant to the Sale, may be obtained at the Debtors' website maintained by Prime Clerk. Copies of these documents also are available for inspection during regular business hours at the Office of the Clerk of the Court, located at 824 N. Market Street, 3rd Floor, Wilmington, DE 19801, and may be viewed for a fee on the internet at the Court's website (<http://www.deb.uscourts.gov/>) by following the directions for accessing the ECF system on such website.

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FAILURE TO ABIDE BY THE BIDDING PROCEDURES, THE BIDDING PROCEDURES ORDER, OR ANY OTHER ORDER OF THE COURT IN THE CHAPTER 11 CASES MAY RESULT IN THE REJECTION OF YOUR BID.

Dated: [__], 2020
Wilmington, Delaware

RICHARDS, LAYTON & FINGER, P.A.

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Counsel for Debtors and Debtors-in-Possession

EXHIBIT 3

Cure Notice

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

	X	
In re:	:	Chapter 11
	:	
IMERYS TALC AMERICA, INC., <i>et al.</i> , ¹	:	Case No. 19-10289 (LSS)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	
	X	

**NOTICE OF POSSIBLE ASSUMPTION AND ASSIGNMENT OF
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On May 15, 2020, Imerys Talc America, Inc. (“**ITA**”), Imerys Talc Vermont, Inc. (“**ITV**”), and Imerys Talc Canada Inc. (“**ITC**” and, together with ITA and ITV, collectively, the “**Debtors**”), the debtors and debtors-in-possession in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), filed a motion [Docket No. [1718] (the “**Bidding Procedures Motion**”) seeking entry: (a) of an order (the “**Bidding Procedures Order**”)² (i) authorizing and approving bidding procedures (the “**Bidding Procedures**”) for the sale (the “**Sale**”) of all or substantially all of the Debtors’ assets (collectively, the “**Assets**”), (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases (collectively, the “**Contracts**”) and the determination of amounts necessary to cure all monetary defaults thereunder (collectively, the “**Cure Amounts**”), (iii) establishing procedures in connection with the selection of a Stalking Horse Bidder, if any, and protections to be afforded thereto, (iv) scheduling an auction

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (6358), Imerys Talc Vermont, Inc. (9050), and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Bidding Procedures or the Bidding Procedures Motion, as applicable.

of the Assets (the “**Auction**”) for September 29, 2020, (v) scheduling a hearing to consider approval of any Sale (the “**Sale Hearing**”) to be held on October 14, 2020, (vi) approving the form and manner of notice in connection with the foregoing, and (vii) granting related relief; and (b) one or more orders (each, a “**Sale Order**”), as applicable, authorizing and approving: (i) the sale of the Assets free and clear of all liens, claims, encumbrances, and other interests (collectively, and as more fully set forth below, “**Interests**”) to the winning bidder (the “**Successful Bidder**”) pursuant to a purchase agreement to be executed by the Successful Bidder (an “**Asset Purchase Agreement**”), (ii) the assumption and assignment of certain Contracts, and (iii) granting related relief.

2. On [●], 2020, the Court entered the Bidding Procedures Order [Docket No. [___]]. On September 29, 2020 at 10:00 a.m. (prevailing Eastern Time), the Debtors will commence the Auction for up to substantially all of the Assets. By noon (prevailing Eastern Time) the calendar day after the Auction is completed, the Debtors will announce the Successful Bid, Successful Bidder, and Backup Bid and will file with the Court, but not serve, a notice of the Successful Bid, Successful Bidder, Backup Bid, and the Sale Hearing. At that same time, the Debtors will serve notice of the same by fax, email, or (if neither is available) overnight courier to all creditors or contract counterparties that made a request for such service to Debtors’ counsel at least two (2) calendar days before the Auction. The Sale Hearing will take place on **October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)** before the Honorable Laurie S. Silverstein, United States Bankruptcy Judge, in the Court, located at 824 N. Market St, 6th Floor, Wilmington, DE 19801.

3. On the date hereof, the Debtors filed a schedule (the “**Contracts Schedule**”) listing all of the Debtors’ Contracts, including the respective Cure Amounts. The Contracts Schedule and

Cure Amounts are also posted on the website maintained by the Debtors' claims and noticing agent, Prime Clerk LLC ("**Prime Clerk**"), at <https://cases.primeclerk.com/imerystalc>. An excerpt from the Contracts Schedule, which contains the Contracts to which the Debtors believe you are party, and the proposed Cure Amount related thereto, is attached hereto as Schedule 1.

4. The deadline to object to any Cure Amount or to assumption and assignment on any basis other than an Adequate Assurance Objection (as defined below) is **[August], 2020, at 4:00 p.m. (prevailing Eastern Time)** (the "**Cure Objection Deadline**") and any such objections must be served on: (a) the Debtors, 100 Mansell Court East, Suite 300, Roswell, GA 30076 (Attn: Ryan J. Van Meter, Esq. (email: ryan.vanmeter@imerys.com)); (b) counsel to the Debtors, (i) Latham & Watkins LLP ("**Latham**"), 355 S. Grand Avenue, Suite 100, Los Angeles, CA 90071 (Attn: Kimberly A. Posin, Esq., David Zaheer, Esq., and Helena G. Tseregounis, Esq. (emails: kim.posin@lw.com, david.zaheer@lw.com, and helena.tseregounis@lw.com)), and (ii) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Michael J. Merchant, Esq. (email: merchant@rlf.com)); (c) investment banker to the Debtors, PJT Partners LP, 280 Park Avenue, New York, NY 10017 (Attn: Paul Sheaffer and Phillip Smith (emails: sheaffer@pjtpartners.com and smith@pjtpartners.com)); (d) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, DE 19801 (Attn: Linda Richenderfer, Esq. and Juliet M. Sarkessian, Esq. (emails: linda.richenderfer@usdoj.gov and juliet.m.sarkessian@usdoj.gov)); (e) any Successful Bidders (if no Successful Bidders have been selected for any Assets, any Stalking Horse Bidders for such Assets); (f) counsel to the TCC, (i) Robinson & Cole LLP, 1201 N. Market St., Suite 1406, Wilmington, DE 19801 (Attn: Natalie D. Ramsey, Esq. and Mark A. Fink, Esq. (emails: nramsey@rc.com and mfink@rc.com)), and (ii) Willkie Farr & Gallagher LLP, 787 Seventh

Avenue, New York, NY 10019 (Attn: Rachel C. Strickland, Esq. and Dan Forman, Esq. (emails: rstrickland@willkie.com and dforman@willkie.com)); (g) investment banker to the TCC, Ducera Partners LLC, 499 Park Avenue, Floor 16, New York, NY 10022 (Attn: Agnes Tang and Jason Koh (emails: atang@ducerapartners.com and jkoh@ducerapartners.com)); and (h) counsel to the FCR, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Robert S. Brady, Esq., Edwin J. Harron, Esq. and Sharon M. Zieg, Esq. (emails: rbrady@ycst.com, eharron@ycst.com and szieg@ycst.com)); (collectively, the “**Objection Notice Parties**”). Any such objection must (a) be in writing, (b) state the basis for such objection, and (c) if such objection is to the Cure Amount, state with specificity what Cure Amount you believe is required (in all cases, with appropriate documentation in support thereof).

5. At the Sale Hearing, assumption and assignment of only those Contracts (and the corresponding Cure Amounts) listed on the Contracts Schedule that have been selected to be assumed by the Successful Bidder at the Auction (as may be amended in accordance with the terms of the applicable definitive documents, the “**Selected Contracts**”) will be subject to approval by the Court, and the Debtors’ rights with respect to all other contracts are fully reserved. All objections to the Debtors’ proposed Cure Amount will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors. Objections to the ability of the Successful Bidder to demonstrate adequate assurance of future performance (an “**Adequate Assurance Objection**”) with respect to any Selected Contracts may be presented at the Sale Hearing (the “**Adequate Assurance Objection Deadline**”). For the avoidance of doubt, no later than seven (7) calendar days prior to the Sale Hearing the Debtors shall file a notice that identifies the Selected Contracts that the Debtors will seek to assume and assign at the Sale Hearing.

6. Absent further order of the Court, unless you file an objection to the Cure Amount by the Cure Objection Deadline, or an Adequate Assurance Objection by the Adequate Assurance Objection Deadline, you will be forever barred and estopped from (a) objecting to the Cure Amount, (b) asserting or claiming any Cure Amount against the Debtor, any Successful Bidder, or any other assignee of the relevant Contract, other than the Cure Amount listed on Schedule 1 hereto, and (c) objecting to the ability of the Successful Bidder to demonstrate adequate assurance of future performance.

7. The inclusion of a Contract or other document or Cure Amount on the Contracts Schedule *will not* constitute or be deemed a determination or admission by the Debtors, the applicable Successful Bidder(s), or any other party in interest that such Contract or other document is an executory contract or an unexpired lease within the meaning of section 365 of title 11 of the United States Code (the “**Bankruptcy Code**”) or that the stated Cure Amounts are due (all rights with respect thereto being expressly reserved). The Debtors reserve all rights, claims, and causes of action with respect to each Contract. The Debtors’ inclusion of any Contract on the Contracts Schedule is not a guarantee that such Contract ultimately will be assumed or assumed and assigned. This notice is without prejudice to each Successful Bidder’s rights, if any, under an applicable Asset Purchase Agreement, to subsequently exclude Selected Contracts from assumption or assumption and assignment before the closing of an applicable Sale.

8. The Debtors’ assumption or assumption and assignment of a Contract is subject to approval by the Court, and consummation of the Sale. Absent consummation of the Sale and entry of a Sale Order approving the assumption or assumption and assignment of a Contract, such Contract will be deemed neither assumed nor assigned, and will in all respects be subject to subsequent assumption or rejection by the Debtors.

9. Except as otherwise provided in a purchase agreement, any Sale will be free and clear of all Interests, with such Interests to attach to the proceeds of the sale of the Assets with the same validity and priority as such Interests applied against the Assets. As used herein, Interests include all of the following, in each case, to the extent against or with respect to the Debtors, or in, on, or against, or with respect to any of the Assets: liens (as defined in section 101(37) of the Bankruptcy Code, and whether consensual, statutory, possessory, judicial, or otherwise), claims (as defined in section 101(5) of the Bankruptcy Code), debts (as defined in section 101(12) of the Bankruptcy Code), demands under section 524(g) of the Bankruptcy Code, encumbrances, obligations, liabilities, demands, guarantees, actions, suits, defenses, deposits, credits, allowances, options, rights, restrictions, limitations, contractual commitments, rights, or interests of any kind or nature whatsoever, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise, including, but not limited to, (a) mortgages, deeds of trust, pledges, charges, security interests, hypothecations, encumbrances, easements, servitudes, leases, subleases, rights-of-way, encroachments, restrictive covenants, restrictions on transferability or other similar restrictions, rights of setoff (except for setoffs validly exercised before the Petition Date), rights of use or possession, subleases, leases, conditional sale arrangements, deferred purchase price obligations, or any similar rights; (b) all claims, including, without limitation, all rights or causes of action (whether in law or equity), proceedings, warranties, guarantees, indemnities, rights of recovery, setoff (except for setoffs validly exercised before the Petition Date), indemnity or

contribution, obligations, demands, restrictions, indemnification claims, or liabilities relating to any act or omission of the Debtors or any other person, consent rights, options, contract rights, covenants, and interests of any kind or nature whatsoever (known or unknown, matured or unmatured, accrued, or contingent and regardless of whether currently exercisable), whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise; (c) all debts, liabilities, obligations, contractual rights and claims, and labor, employment, and pension claims; (d) any rights that purport to give any party a right or option to effect any forfeiture, modification, right of first offer or first refusal, or consents, or termination of the Debtors' or the purchaser's interest in the Assets, or any similar rights; (e) any rights under labor or employment agreements; (f) any rights under pension, multiemployer plan (as such term is defined in section 3(37) or section 4001(a)(3) of the Employment Retirement Income Security Act of 1974 (as amended, "ERISA")), health or welfare, compensation or other employee benefit plans, agreements, practices, and programs, including, without limitation, any pension plans of the Debtors or any multiemployer plan to which any Debtor has at any time contributed to or had any liability or potential liability; (g) any other employee claims related to worker's compensation, occupation disease, or unemployment or temporary disability, including, without limitation, claims that might otherwise arise under or pursuant to (i) ERISA, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the Age Discrimination and Employment Act of 1967 and the Age Discrimination in Employment Act, each as amended, (vii) the Americans with Disabilities Act of 1990, (viii) the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, including, without limitation, the requirements of Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Internal Revenue

Code or any similar state law, (ix) state discrimination laws, (x) state unemployment compensation laws or any other similar state laws, (xi) any other state or federal benefits or claims relating to any employment with any Debtor or any of its predecessors, or (xii) the WARN Act (29 U.S.C. §§ 2101, *et seq.*) or any state or other laws of similar effect; (h) any bulk sales or similar law; (i) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, and any taxes arising under or out of, in connection with, or in any way relating to the operation of the Assets or business of the Debtors before the closing of a Sale; (j) any unexpired and executory contract or unexpired lease to which any Debtor is a party that is not assumed; (k) any other excluded liabilities under the Asset Purchase Agreement; and (l) Interests arising under or in connection with any acts, or failures to act, of the Debtors or any of their predecessors, affiliates, or subsidiaries, including, but not limited to, Interests arising under any doctrines of successor liability (to the greatest extent permitted by applicable law), or transferee or vicarious liability, violation of the United States Securities Act of 1933 (as amended), the United States Securities Exchange Act of 1934 (as amended), or other applicable securities laws or regulations, breach of fiduciary duty, or aiding or abetting breach of fiduciary duty, or any similar theories under applicable law or otherwise.

10. Copies of the Bidding Procedures Motion, Bidding Procedures, all exhibits and schedules thereto, the Bidding Procedures Order, the Auction and Sale Notice, and the Contracts Schedule, and certain other documents relevant to the Sale, may be obtained at the website maintained by Prime Clerk LLC, at <https://cases.primeclerk.com/imerystalc>. Copies of these documents also are available for inspection during regular business hours at the Office of the Clerk of the Court, located at 824 N. Market Street, 3rd Floor, Wilmington, DE 19801, and may be

viewed for a fee on the internet at the Court's website (<http://www.deb.uscourts.gov/>) by following the directions for accessing the ECF system on such website.

[Remainder of page left intentionally blank]

Dated: [___], 2020
Wilmington, Delaware

RICHARDS, LAYTON & FINGER, P.A.

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Counsel for Debtors and Debtors-in-Possession

EXHIBIT 4

SUMMARY OF KEY DATES AND DEADLINES

**Key Proposed Action and Sale-Related Dates
(subject to Court’s availability):**

Event	Proposed Date
Deadline to serve Bidding Procedures Order on Transaction Notice Parties	Within three (3) calendar days of entry of Bidding Procedures Order
Indication of Interest Deadline	July 17, 2020 at 4:00 p.m. (prevailing Eastern Time)
Deadline to select Potential Bidders	July 24, 2020 at 4:00 p.m. (prevailing Eastern Time)
Deadline to select Stalking Horse Bidder, if any	August 28, 2020 at 4:00 p.m. (prevailing Eastern Time)
Stalking Horse Objection Deadline, if any Stalking Horse Notice is filed	Within fourteen (14) calendar days from the filing of a Stalking Horse Notice
Bid Deadline	September 24, 2020 at 4:00 p.m. (prevailing Eastern Time)
Auction (if necessary)	September 29, 2020 at 10:00 a.m. (prevailing Eastern Time)
Deadline to file and serve notice of the Successful Bidder and amount of the Successful Bid	12:00 p.m. (prevailing Eastern Time) the calendar day after the Auction is completed
Sale Objection Deadline	October 7, 2020 at 4:00 p.m. (prevailing Eastern Time)
Sale Hearing	October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)
Hearing in Canadian Proceeding to recognize the Sale Order	Within fourteen (14) business days from entry of the Sale Order

**Key Dates Related to Proposed Assumption and Assignment Procedures
(subject to Court's availability):**

Event	Proposed Date
Deadline to file Contracts Schedule and serve Cure Notices	July 28, 2020 at 4:00 p.m. (prevailing Eastern Time)
Cure Objection Deadline	Fourteen (14) calendar days after service of the Cure Notice at 4:00 p.m. (prevailing Eastern Time)
Supplemental Cure Objection Deadline	Fourteen (14) calendar days after service of a Supplemental Cure Notice at 4:00 p.m. (prevailing Eastern Time)
Adequate Assurance Objection Deadline; Sale Hearing	October 14, 2020 at 10:00 a.m. (prevailing Eastern Time)

TAB D

This is
EXHIBIT "D"
to the Affidavit of
ANTHONY WILSON
Sworn June 29, 2020

DocuSigned by:

Nicholas Avis

2C12EFAB6242430...

Nicholas Avis
Commissioner for Taking Affidavits
LSO #76781Q

representations made in the Application, the O’Connell Declaration, and the Flanagan Declaration that PJT is “disinterested” as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and as required under section 327(a) of the Bankruptcy Code, and that PJT neither represents nor holds any interest adverse to the Debtors’ estates; and adequate notice of the Application and opportunity for objection having been given; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is GRANTED to the extent set forth herein.
2. The Debtors are authorized to employ and retain PJT as their investment banker, pursuant to sections 327 and 328(a) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-2, in accordance with the terms and conditions set forth in the Engagement Letter, a copy of which is attached hereto as Exhibit 1 and incorporated by reference herein, as modified by this Order, *nunc pro tunc* to November 7, 2019.
3. Except to the extent set forth herein, the Engagement Letter (together with all annexes thereto), including, without limitation, the Fee Structure, is approved pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, and the Debtors are authorized to perform their payment, reimbursement, contribution, and indemnification obligations and their non-monetary obligations in accordance with the terms and conditions, and at the times specified, in the Engagement Letter, as modified by this Order. Subject to Paragraph 6 of this Order, all compensation and reimbursement of expenses payable under the Engagement Letter shall be subject to review only pursuant to the standards set forth in section 328(a) of the Bankruptcy Code, and shall not be subject to any other standard of review including, but not limited to, section 330 of the Bankruptcy Code.

4. PJT shall be paid eighty percent (80%) of the Transaction Fees upon expiration of the Notice Period (defined below) which cannot begin until the earlier of (a) the consummation of the applicable Transaction and (b) the consummation of a chapter 11 plan, in each case, subject to subsequent approval by this Court pursuant to (and the remaining twenty percent (20%) payable in accordance with) PJT's interim or final fee application, as applicable. The "Notice Period" shall mean ten (10) days after PJT has filed a fee statement in respect of any Transaction Fee with the Court and served a copy thereof on the Notice Parties (as defined in the Order Under 11 U.S.C. §§ 105(a) and 331, Fed. R. Bankr. P. 2016(a), and Del. Bankr. L.R. 2016-2 Establishing Procedures for Interim Compensation and Reimbursement of Professionals [Doc. No. 301]) by email only (except for the U.S. Trustee, defined below, who shall receive the fee statement via email and hand delivery). PJT shall be entitled to file and serve a fee statement in respect of a Transaction immediately upon the consummation of such Transaction or the consummation of a chapter 11 plan. For the avoidance of doubt, any portion of a Transaction Fee subject to an objection filed with the Court shall not be payable to PJT until such objection has been resolved. Notwithstanding the foregoing, the full amount of the Transaction Fee will be escrowed upon the earlier of (i) the consummation of the applicable Transaction and (ii) the consummation of a chapter 11 plan, until such amounts are permitted to be paid to PJT pursuant hereto or a further order of this Court.

5. PJT shall file interim and final fee applications for the allowance of compensation for services rendered and reimbursement of expenses incurred in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of this Court. Notwithstanding anything to the contrary in this Order, the Engagement Letter, the Application or any of its attachments, PJT shall comply with all requirements of Bankruptcy Rule 2016(a), and Local Rule 2016-2, including all information and time keeping

requirements of Local Rule 2016-2(d), except that (a) PJT shall be permitted to keep professional time records in half-hour increments; and (b) PJT's professionals shall not be required to keep time records on a project category basis or provide or conform to any schedules of hourly rates.

6. Notwithstanding any provision to the contrary in this Order, the United States Trustee for the District of Delaware (the "**U.S. Trustee**"), and only the U.S. Trustee, shall retain the right and be entitled to object to PJT's request(s) for monthly, interim, and final compensation and reimbursement of expenses based on the reasonableness standard provided in section 330 of the Bankruptcy Code, and shall not be limited to the standard set forth in section 328(a) of the Bankruptcy Code. This Order and the record relating to this Court's consideration of the Application shall not prejudice or otherwise affect the rights of the U.S. Trustee to challenge the reasonableness of PJT's fees and requests for reimbursement of expenses under the standard set forth in section 330 of the Bankruptcy Code. Accordingly, nothing in this Order or the record shall constitute a finding of fact or conclusion of law binding on the U.S. Trustee, on appeal or otherwise, with respect to the reasonableness of PJT's compensation and requests for reimbursement of expenses.

7. In the event that, during the pendency of these cases, PJT seeks reimbursement for any attorneys' fees and/or expenses, the invoices and supporting time records from such attorneys shall be included in PJT's fee applications and such invoices and time records shall be in compliance with Rule 2016-2(f) of the Local Rules of this Court, and shall be subject to the U.S. Trustee Guidelines and approval of the Bankruptcy Court under the standards of sections 330 and 331 of the Bankruptcy Code, without regard to whether such attorney has been retained under section 327 of the Bankruptcy Code and without regard to whether such attorney's services satisfy

section 330(a)(3)(C) of the Bankruptcy Code; provided, however, that PJT shall not seek reimbursement of any fees incurred defending any of PJT's fee applications in these cases.

8. The indemnification, contribution, and reimbursement provisions set forth in the Indemnification Agreement are approved, subject, during the pendency of the Debtors' bankruptcy cases, to the following:

- a. No Indemnified Party (as defined in the Indemnification Agreement) shall be entitled to indemnification, contribution or reimbursement pursuant to the Indemnification Agreement, unless such indemnification, contribution or reimbursement is approved by this Court;
- b. Notwithstanding any provisions of the Indemnification Agreement to the contrary, the Debtors shall have no obligation to indemnify any Indemnified Party or provide contribution or reimbursement to any Indemnified Party (i) for any claim or expense that is judicially determined (the determination having become final and no longer subject to appeal) to have arisen from the Indemnified Party's bad faith, self-dealing, breach of fiduciary duty (if any), willful misconduct, or gross negligence; (ii) for a contractual dispute in which the Debtors allege the breach of the Indemnified Party's contractual obligations unless this Court determines that indemnification, contribution, or reimbursement would be permissible pursuant to *In re United Artists Theatre Company*, 315 F.3d 217 (3d Cir. 2003); or (iii) for any claim or expense that is settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing pursuant to subparagraph (d), *infra*, to be a claim or expense for which such Indemnified Party should not receive indemnity, contribution or reimbursement under the terms of the Indemnification Agreement, as modified by this Order;
- c. Any limitation on liability or any amounts to be contributed by the parties to the Engagement Letter under the terms of the Indemnification Agreement or Engagement Letter shall be eliminated during these Chapter 11 cases; and
- d. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in the Chapter 11 Cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing the Chapter 11 Cases, any Indemnified Party believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, or reimbursement obligations under the Indemnification Agreement, as modified by this Order, including without limitation the advancement of defense costs, the Indemnified Party must file an application therefor in this Court, and the Debtors may not pay any such amounts to such Indemnified Party before the entry of an order by this Court approving the payment. This subparagraph (d) is intended only to specify the period of time during which this Court shall have jurisdiction over any request

by an Indemnified Party for indemnification, contribution, or reimbursement and is not a provision limiting the duration of the Debtors' obligation to indemnify. All parties in interest shall retain the right to object to any demand by any Indemnified Party for indemnification, contribution, and/or reimbursement.

9. With respect to termination of the engagement, the last sentence of the fourth full paragraph on page 5 of the Engagement Letter³ shall not apply if (i) PJT terminates the Engagement Letter without cause, or (ii) Debtors terminate the Engagement Letter due to the gross negligence, bad faith or willful misconduct of PJT in performing its services under the Engagement Letter which such gross negligence, bad faith or willful misconduct has been judicially determined (with such order having become a final order no longer subject to appeal).

10. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

11. Notwithstanding anything to the contrary in the Application or Engagement Letter, PJT shall have whatever duties, fiduciary or otherwise, that are imposed upon it by applicable law.

12. In the event of any inconsistency between the Engagement Letter, the Application, and this Order, this Order shall govern.

13. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

14. Notwithstanding any term in the Engagement Letter to the contrary, this Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the

³ That sentence provides as follows: "Without limiting the foregoing, PJT Partners shall be entitled to the Transaction Fee in the event that, at any time prior to the expiration of the 12 months following the termination of this Agreement, either (i) a Transaction Event and/or a Chapter 11 Plan Event occurs or (ii) a definitive agreement with respect to a Transaction or chapter 11 plan is executed and a Transaction Event or Chapter 11 Plan Event thereafter occurs."

implementation, interpretation, or enforcement of this Order, and, during the course of these cases, the Engagement Letter.

Dated: February 25th, 2020
Wilmington, Delaware


LAURIE SELBER SILVERSTEIN
7 UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

Engagement Letter

PJT Partners



January 2, 2020

Ryan Van Meter, Esq.
Vice President & General Counsel – North America
100 Mansell Court East, Suite 300
Roswell, Georgia 30076

Dear Mr. Van Meter:

This letter confirms the understanding and agreement (the “**Agreement**”) between PJT Partners LP (“**PJT Partners**”) and Imerys Talc America, Inc. (together with its affiliates and subsidiaries that are chapter 11 debtors and debtors-in-possession) (collectively, the “**Company**”) regarding the retention of PJT Partners by the Company effective as of November 7, 2019 (the “**Effective Date**”) as its investment banker for the purposes set forth herein.

Under this Agreement, PJT Partners will provide investment banking services to the Company in connection with a potential sale, merger or other disposition of all or a portion of the Company or its assets (a “**Transaction**”), whether pursuant to a chapter 11 plan, section 363 of title 11 of the United States Code (the “**Bankruptcy Code**”) or otherwise.

The investment banking services to be rendered by PJT Partners will, if appropriate and at the request of the Company, include the following:

- (a) assist the Company in preparing marketing materials in conjunction with a possible Transaction;
- (b) assist the Company in identifying potential buyers or parties in interest to a Transaction and assist in the due diligence process;
- (c) assist and advise the Company concerning the terms, conditions and impact of any proposed Transaction; and
- (d) provide expert witness testimony concerning any of the subjects encompassed by the other investment banking services.

Notwithstanding anything contained in this Agreement to the contrary, PJT Partners shall have no responsibility for designing or implementing any initiatives to improve the Company’s operations, profitability, cash management or liquidity. PJT Partners makes no representations or warranties about the Company’s ability to (i) successfully improve its operations, (ii) maintain or secure sufficient liquidity to operate its business, or (iii) successfully complete a Transaction. PJT Partners is retained under this Agreement solely to provide advice regarding a Transaction, and is not being retained to provide “crisis management” or any legal, tax, accounting or actuarial advice. It is understood and agreed that nothing contained herein shall constitute a commitment, express or implied, on the part of PJT Partners to underwrite, purchase or place any securities, in a financing or otherwise.

The advisory services and compensation arrangement set forth in this Agreement do not encompass other investment banking services or transactions that may be undertaken by PJT Partners at the request of the Company, including restructuring services in respect of a chapter 11 plan, the arranging of debt or equity capital, providing mergers and acquisitions advice (other than as expressly set forth herein), issuing fairness opinions or any other specific services not set forth in this Agreement. The terms and conditions of any such investment

Imerys Talc America, Inc.
January 2, 2020

banking services, including compensation arrangements, would be set forth in a separate written agreement between PJT Partners and the appropriate party.

The Company will pay the following fees to PJT Partners for its investment banking services hereunder:

- (i) a fee (the "**Transaction Fee**") equal to the greater of (a) 1.25% of Transaction Value (as defined below) and (b) \$2,750,000 (the "**Minimum Amount**"), payable in cash upon the earlier of (1) the consummation of a Transaction in respect of a material portion of the assets or equity of the Company (a "**Transaction Event**") and (2) the consummation of a Chapter 11 plan in respect of all or a portion of the Company (a "**Chapter 11 Plan Event**"). For the avoidance of doubt, (A) in the event that a Chapter 11 Plan Event occurs before a Transaction Event, the Transaction Fee shall equal the Minimum Amount, and (B) PJT Partners shall be entitled to earn a separate Transaction Fee in respect of each Transaction Event with each such Transaction Fee calculated with respect to the Transaction Value of the applicable Transaction Event; provided, however, that if the Minimum Amount is payable to PJT Partners at the closing of the first such Transaction Event, no additional fee shall be payable to PJT Partners hereunder with respect to additional Transaction Events until the aggregate Transaction Value of all Transaction Events consummated to that date would support a Transaction Fee in excess of the Minimum Amount, at which point, such difference shall be payable to PJT Partners and, in the event a Transaction Event occurs after such difference is payable to PJT Partners, the applicable Transaction Fee payable therefor shall be 1.25% of the Transaction Value of such Transaction Event; and
- (ii) reimbursement of all reasonable and documented out-of-pocket expenses incurred during this engagement, including, but not limited to, travel and lodging, direct identifiable data processing, document production, publishing services and communication charges, courier services, working meals, reasonable fees and expenses of PJT Partners' counsel (without the requirement that the retention of such counsel be approved by the court in the Company's chapter 11 cases) and other necessary expenditures, payable upon rendition of invoices setting forth in reasonable detail the nature and amount of such expenses.

For the purposes of this Agreement, "**Transaction Value**" shall mean (a) the total consideration paid or received or to be paid or received in the Transaction (including, amounts payable to holders of options, warrants and convertible securities and amounts in escrow); plus (b) liabilities, including all debt, pension liabilities, guarantees and capitalized leases, of the Company outstanding at the closing of the Transaction or directly or indirectly assumed, refinanced, extinguished or consolidated; plus (c) payments made in installments; plus (d) amounts paid or to be paid in connection with the Transaction under consulting agreements, agreements not to compete, licensing agreements with Transaction counterparty or similar arrangements (including such payments to management); plus (e) the net present value of any contingent payments (whether or not related to future earnings or operations); plus (f) the fair market value of equity securities of the Company retained by the Company's security holders upon consummation of such Transaction (such securities being deemed to have been paid to such security holders in such Transaction); plus (g) the net present value of options or other equity incentives granted in connection with the Transaction plus (h) the aggregate value of all dividends or other distributions declared by the Company with respect to its securities after the date hereof, other than normal recurring cash dividends in amounts not greater than currently paid; plus (i) amounts paid or to be paid by the Company to repurchase any securities of the Company after the date hereof; plus (j) in the case of a Transaction involving the sale, transfer or disposition of assets, the value of any net current assets not sold. For purposes of computing Transaction Value, non-cash consideration shall be valued as follows: (a) publicly traded securities shall be valued at the average of their closing prices for the five trading days prior to the date of consummation or closing of the Transaction and (b) any other non-cash consideration shall be valued at the fair market value thereof as determined in good faith by the Company and PJT Partners. If the Transaction Value to be paid is computed in any foreign currency, the value of such foreign currency shall, for purposes hereof, be converted in U.S. dollars at the prevailing exchange rate on the date the Transaction Value is paid.

Imerys Talc America, Inc.
January 2, 2020

PJT Partners will direct all communications and notices regarding financial matters, including billing, to the contacts designated by the Company on Schedule I (the "**Company Financial Matters Contacts**"). Please note that any invoices in excess of \$500,000 will be provided to the Company Financial Matters Contacts in an encrypted form or other secure manner and subject to an authentication process. Payments to PJT Partners shall be made pursuant to the wire instructions set forth on Schedule II, and any changes to the PJT Partners' wire instructions will be provided by the PJT Partners financial matters contacts, as set forth on Schedule I, (the "**PJT Partners Financial Matters Contacts**") to the Company Financial Matters Contacts in an encrypted form or other secure manner and subject to an authentication process. Any notices and communications regarding financial matters, including billing, from the Company shall be directed to one of the PJT Partners Financial Matters Contacts.

All amounts herein are stated in U.S. dollars and all payments under this Agreement shall be paid in immediately available funds in U.S. dollars, free and clear of any tax, assessment or other governmental charge (with appropriate gross-up for withholding taxes). If any amount to be paid is computed in any foreign currency, the value of such foreign currency shall, for purposes hereof, be converted in U.S. dollars at the prevailing exchange rate on the date such amount is paid.

The Company shall use its best efforts to promptly apply to the bankruptcy court having jurisdiction over the Company's chapter 11 cases (the "**Bankruptcy Court**") for the approval pursuant to sections 327 and 328 of the Bankruptcy Code of (A) this Agreement, including the attached indemnification agreement, and (B) PJT Partners' retention by the Company under the terms of this Agreement and subject to the standard of review provided in section 328(a) of the Bankruptcy Code and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Company shall supply PJT Partners with a draft of such application and any proposed order authorizing PJT Partners' retention sufficiently in advance of the filing of such application and proposed order to enable PJT Partners and its counsel to review and comment thereon.

PJT Partners shall have no obligation to provide any services under this Agreement unless PJT Partners' retention under the terms of this Agreement is approved under section 328(a) of the Bankruptcy Code by a final order entered by the Bankruptcy Court that is no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which order is acceptable to PJT Partners in all respects.

The Company will use its commercially reasonable efforts to ensure that PJT Partners' post-petition compensation, expense reimbursements and payment received pursuant to the provisions of the indemnification agreement attached hereto as Attachment A shall be entitled to priority as expenses of administration under sections 503(b)(1)(A) and 507(a)(2) of the Bankruptcy Code, and shall be entitled to the benefits of any "carve-outs" for professional fees and expenses in effect pursuant to one or more cash collateral and/or financing orders entered by the Bankruptcy Court. Following entry of an order authorizing PJT Partners' retention, the Company will assist PJT Partners in preparing, filing and serving fee statements, interim fee applications, and a final fee application. The Company will support PJT Partners' fee applications that are consistent with this Agreement in papers filed with the Bankruptcy Court and during any Bankruptcy Court hearing. The Company will pay promptly the fees and expenses of PJT Partners, in each case, which are both (i) owed pursuant to this Agreement and (ii) approved by the Bankruptcy Court in accordance with the orders of the Bankruptcy Court.

PJT Partners acknowledges that in the event that the Bankruptcy Court approves its retention by the Company, PJT Partners' fees and expenses shall be subject to the jurisdiction and approval of the Bankruptcy Court under section 328(a) of the Bankruptcy Code and any applicable fee and expense guideline orders. The Company shall pay all fees and expenses of PJT Partners hereunder as promptly as practicable in accordance with the terms hereof.

With respect to PJT Partners' retention under sections 327 and 328 of the Bankruptcy Code, the Company acknowledges and agrees that PJT Partners' restructuring expertise as well as its capital markets knowledge, financing skills and mergers and acquisitions capabilities, some or all of which may be required by the Company during the term of PJT Partners' engagement hereunder, were important factors in determining the amount of the various fees set forth herein, and that the ultimate benefit to the Company of PJT Partners' services hereunder

Imerys Talc America, Inc.
January 2, 2020

could not be measured merely by reference to the number of hours to be expended by PJT Partners' professionals in the performance of such services. The Company also acknowledges and agrees that the various fees set forth herein have been agreed upon by the parties in anticipation that a substantial commitment of professional time and effort will be required of PJT Partners and its professionals hereunder over the life of the engagement, and in light of the fact that such commitment may foreclose other opportunities for PJT Partners and that the actual time and commitment required of PJT Partners and its professionals to perform its services hereunder may vary substantially from week to week or month to month, creating "peak load" issues for the firm. In addition, given the numerous issues which PJT Partners may be required to address in the performance of its services hereunder, PJT Partners' commitment to the variable level of time and effort necessary to address all such issues as they arise, and the market prices for PJT Partners' services for engagements of this nature in an out-of-court context, the Company agrees that the fee arrangements hereunder (including the Transaction Fee) are reasonable under the standards set forth in 11 U.S.C. Section 328(a).

Except as contemplated by the terms hereof or as required by applicable law, regulation or legal process, for a period of one year from the date hereof, PJT Partners shall keep confidential all material non-public information provided to it by or at the request of the Company, and shall not disclose such information to any third party or to any of its employees or advisors except to those persons who have a need to know such information in connection with PJT Partners' performance of its responsibilities hereunder and who are advised of the confidential nature of the information and who agree to keep such information confidential. For the avoidance of doubt, PJT Partners may provide nonpublic Information (as defined below) to prospective transaction parties as contemplated by this Agreement, subject to such parties executing appropriate confidentiality agreements with the Company.

The Company will furnish or cause to be furnished to PJT Partners such information as PJT Partners believes appropriate to its assignment (all such information so furnished being the "Information"). The Company further agrees that it will provide PJT Partners with reasonable access to the Company and its directors, officers, employees, accountants, counsel and other advisers. To the best of the Company's knowledge, the Information will be true and correct in all material respects and will not contain any material misstatement of fact or omit to state any material fact necessary to make the statements contained therein not misleading. During the term of the engagement, the Company shall inform PJT Partners promptly upon becoming aware of any material developments relating to the Company which the Company reasonably expects may impact on the proposed Transaction or if the Company becomes aware that any Information provided to PJT Partners is, or has become, untrue, unfair, inaccurate or misleading in any way. Furthermore, the Company warrants and undertakes to PJT Partners that, in respect of all Information supplied by the Company, the Company has not obtained any such Information other than by lawful means and that disclosure to PJT Partners will not breach any agreement or duty of confidentiality owed to third parties. The Company recognizes and confirms that PJT Partners (a) will use and rely primarily on the Information and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same, (b) does not assume responsibility for the accuracy or completeness of the Information and such other information, (c) is entitled to rely upon the Information without independent verification, and (d) will not make an appraisal of any assets in connection with its assignment.

In the event that the Information belonging to the Company is stored electronically on PJT Partners' computer systems, PJT Partners shall not be liable for any damages resulting from unauthorized access, misuse or alteration of such information by persons not acting on its behalf, provided that PJT Partners exercises the same degree of care in protecting the confidentiality of, and in preventing unauthorized access to, the Company's information that it exercises with regard to its own most sensitive proprietary information.

Except as required by applicable law, any advice to be provided by PJT Partners under this Agreement shall not be disclosed publicly or made available to third parties (other than the Company's other professional advisors or, if appropriate in the Company's judgment, in any filings in the Company's chapter 11 cases) without the prior written consent of PJT Partners. In the event disclosure is required by subpoena or court order, the Company will provide PJT Partners with reasonable advance notice and permit PJT Partners to comment on the form and content of the

Imerys Talc America, Inc.
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disclosure. All services, advice and information and reports provided by PJT Partners to the Company in connection with this assignment shall be for the sole benefit of the Company and shall not be relied upon by any other person.

The Company acknowledges and agrees that PJT Partners will provide its investment banking services exclusively to the members of the Board of Directors and senior management of the Company and not to the Company's shareholders or other constituencies. The Board of Directors and senior management will make all decisions for the Company regarding whether and how the Company will pursue a Transaction and on what terms and by what process. In so doing, the Board of Directors and senior management will also obtain the advice of the Company's legal, tax and other business advisors and consider such other factors which they consider appropriate before exercising their independent business judgment in respect of a Transaction. The Company further acknowledges and agrees that PJT Partners has been retained to act solely as investment banker to the Company and does not in such capacity act as a fiduciary for the Company or any other person. PJT Partners shall act as an independent contractor and any duties of PJT Partners arising out of its engagement pursuant to this Agreement shall be owed solely to the Company.

Following the public announcement of a Transaction, PJT Partners may, at its own expense, place announcements or advertisements in financial newspapers and journals or place tombstones on its marketing materials, including its website, describing PJT Partners' services hereunder and the Company agrees that PJT Partners may use the Company's logo in any such advertisements or tombstones. In any press release or other public announcement made by the Company regarding a Transaction that references the services hereunder, the Company shall refer to PJT Partners LP.

In consideration of PJT Partners' agreement to provide investment banking services to the Company in connection with this Agreement, it is agreed that the Company will indemnify PJT Partners and its agents, representatives, members and employees pursuant to the indemnification agreement attached to this Agreement as Attachment A. The indemnification agreement is an integral part of this Agreement and the terms thereof are incorporated by reference herein.

PJT Partners' engagement hereunder may be terminated upon 30 days' written notice without cause by either the Company or PJT Partners; termination for cause by either party will occur forthwith. Notwithstanding the foregoing, (a) the provisions relating to the payment of fees and expenses accrued through the date of termination, the status of PJT Partners as an independent contractor, the limitation as to whom PJT Partners shall owe any duties, and any other provision of this Agreement that, by its terms, survives termination, will survive any such termination, (b) any such termination shall not affect the Company's obligations under the indemnification agreement attached as Attachment A or PJT Partners' confidentiality obligations hereunder. Without limiting the foregoing, PJT Partners shall be entitled to the Transaction Fee in the event that, at any time prior to the expiration of 12 months following the termination of this Agreement either (i) a Transaction Event and/or a Chapter 11 Plan Event occurs or (ii) a definitive agreement with respect to a Transaction or chapter 11 plan is executed and a Transaction Event or Chapter 11 Plan Event thereafter occurs.

The Company represents that neither it nor any of its affiliates under common control, nor, to the knowledge of the Company, any of their respective directors or officers, is an individual or entity ("**Person**") that is, or is owned or controlled by a Person that is: (i) a Person with whom dealings are prohibited or restricted under U.S. economic sanctions (including those administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control and the U.S. Department of State) or under sanctions imposed by the United Nations Security Council, Canada, the European Union, or member countries of the European Union; (ii) a Person that is the subject to anti-money laundering prohibitions, restrictions, or sanctions specifically imposed on such Person by the United States, Canada, the European Union, member countries of the European Union, or any other relevant jurisdiction; or (iii) to the knowledge of the Company, not in compliance in all material respects with all applicable anti-money laundering laws and sanctions laws.

Imerys Talc America, Inc.
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The Company should be aware that PJT Partners and/or its affiliates may be providing or may in the future provide financial or other services to other parties with conflicting Interests. Consistent with PJT Partners' policy to hold in confidence the affairs of its clients, PJT Partners will not use confidential information obtained from the Company except in connection with PJT Partners' services to, and PJT Partners' relationship with, the Company, nor will PJT Partners use on the Company's behalf or have any obligation to disclose or otherwise have any liability with respect to any confidential information obtained from any other client. Notwithstanding anything to the contrary provided elsewhere herein, the Company expressly acknowledges and agrees that none of the provisions of this Agreement shall in any way restrict PJT Partners from being engaged or mandated by any third party, or otherwise participating or assisting with any transaction involving any other party, other than a transaction that is the subject of this Agreement prior to the termination of this Agreement.

This Agreement (including the indemnification agreement attached hereto as Attachment A) embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof, except that the Confidentiality Agreement executed by and between the Company and PJT as of November 23, 2019 shall remain in full force and effect pursuant to its terms and, for the avoidance of doubt, nothing contained herein shall be deemed to waive, amend or modify the terms of such Confidentiality Agreement. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, such determination will not affect or impair such provision or the remaining provisions of this Agreement in any other respect, which will remain in full force and effect. No waiver, amendment or other modification of this Agreement shall be effective unless in writing and signed by each party to be bound thereby. This Agreement and any dispute or claim that may arise out of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that state.

The Company hereby agrees that any action or proceeding brought by the Company against PJT Partners based hereon or arising out of PJT Partners' engagement hereunder, shall be brought and maintained by the Company exclusively in the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York; provided that, all legal proceedings pertaining to this engagement arising during the chapter 11 cases may be brought in the Bankruptcy Court. The Company irrevocably submits to the jurisdiction of the courts of the State of New York located in the City and County of New York and the United States District Court for the Southern District of New York and appellate courts from any thereof for the purpose of any action or proceeding based hereon or arising out of PJT Partners' engagement hereunder and irrevocably agrees to be bound by any judgment rendered thereby in connection with such action or proceedings. The Company hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter may have to the laying of venue of any such action or proceeding brought in any such court referred to above and any claim that such action or proceeding has been brought in an inconvenient forum and agrees not to plead or claim the same.

Any notices required or permitted to be given hereunder by either party hereto to the other will be given in writing (i) by personal delivery, email or facsimile transmission, (ii) by nationally-recognized overnight delivery company or (iii) by prepaid first class, registered or certified mail, postage prepaid, in each case addressed to the other party hereto as set forth on Schedule I (or to such other address as the other party hereto may request in writing by notice given pursuant to this section). Notices will be deemed received on the earliest of: (a) if personally delivered, emailed or sent via facsimile, the same day; (b) if sent by overnight delivery company, on the second working day after the day it was sent; or (c) if sent by mail, when actually received.

This Agreement may be executed, including by electronic signature, in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. A facsimile of a signed copy of this Agreement or other copy made by reliable mechanical means or an electronic signature may be relied upon as an original.

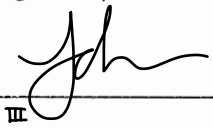
[SIGNATURE PAGE FOLLOWS]

Please confirm that the foregoing correctly sets forth our agreement by signing and returning to PJT Partners the duplicate copy of this Agreement and the Indemnification agreement attached hereto as Attachment A.

Very truly yours,

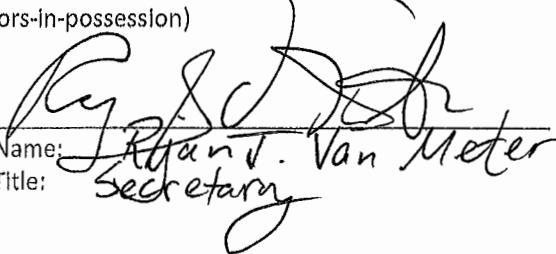
PJT PARTNERS LP

By: PJT Management, LLC, Its general partner

By: JOHN JAMES 
Name: Jamie O'Connell III
Title: Partner

Accepted and Agreed to as
of the date first written above:

IMERYS TALC AMERICA, INC. (on behalf of itself and
its affiliates and subsidiaries that are chapter 11 debtors
and debtors-in-possession)

By: 
Name: Ryan J. Van Meter
Title: Secretary

Imerys Talc America, Inc.
January 2, 2020

ATTACHMENT A

January 2, 2020

PJT Partners LP
280 Park Avenue
New York, NY 10017

INDEMNIFICATION AGREEMENT

Ladies and Gentlemen:

This letter will confirm that PJT Partners LP ("**PJT Partners**") has been engaged by Imerys Talc America, Inc. (together with its affiliates and subsidiaries that are chapter 11 debtors and debtors-in-possession) (collectively, the "**Company**") in connection with the matters referred to in the letter of agreement, dated as of January 2, 2020, by and between PJT Partners and the Company (the "**Engagement Letter**"). In connection with the engagement of PJT Partners to advise and assist the Company as described in the attached Engagement Letter (the "**Engagement**"), in the event that PJT Partners becomes involved in any capacity in any claim, suit, action, proceeding, investigation or inquiry (including, without limitation, any shareholder or derivative action or arbitration proceeding) (collectively, a "**Proceeding**") in connection with any matter in any way relating to or referred to in the Engagement Letter or arising out of the matters contemplated by the Engagement Letter, including, without limitation, related services and activities prior to the date of the Engagement Letter, the Company agrees to indemnify, defend and hold PJT Partners and its affiliates, and their respective current and former directors, officers, agents, employees, attorneys and other representatives and the successors and assigns of all of the foregoing persons (each an "**Indemnified Party**") harmless to the fullest extent permitted by law, from and against any losses, claims, damages, fines, penalties, liabilities and expenses ("**Losses**"), whether they be joint or several, in connection with any matter in any way relating to or referred to in the Engagement Letter or arising out of the matters contemplated by the Engagement Letter, including, without limitation, related services and activities prior to the date of the Engagement Letter, except to the extent that it shall be determined by a court of competent jurisdiction in a judgment that has become final in that it is no longer subject to appeal or other review that such Losses resulted solely from the gross negligence, bad faith or willful misconduct of such Indemnified Party. In the event that any Indemnified Party becomes involved in any capacity in any Proceeding (regardless of whether or not such or any Indemnified Party is a party to or the subject of such Proceeding) in connection with any matter in any way relating to or referred to in the Engagement Letter or arising out of the matters contemplated by the Engagement Letter (including, without limitation, in enforcing the Engagement Letter), the Company will reimburse such Indemnified Party for its reasonable and documented out-of-pocket legal and other expenses (including the cost of any investigation and preparation) as such expenses are incurred by such Indemnified Party in connection therewith. The Company also agrees to use commercially reasonable efforts to cooperate with any Indemnified Party and to give, and so far as it is able to procure the giving of, all such information and render all such assistance to such Indemnified Party as such Indemnified Party may reasonably request in connection with any Proceeding and not to take any action which might reasonably be expected to prejudice the position of any Indemnified Party in relation to any Proceeding without the consent of PJT Partners (such consent not to be unreasonably withheld). In the event that any Indemnified Party is requested or authorized by the Company or required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel

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available as witnesses at deposition or trial, arising as a result of or in connection with the matters referred to in the Engagement Letter, the Company will, so long as PJT Partners is not a party to the Proceeding in which the information is sought, pay PJT Partners the reasonable and documented out-of-pocket fees and expenses of its outside counsel incurred in responding to such a request.

If such indemnification is for any reason not available or insufficient to hold an Indemnified Party harmless, the Company agrees to contribute to the Losses involved in the proportion appropriate to reflect the relative benefits received or sought to be received by the Company and its security holders and affiliates and other constituencies, on the one hand, and the Indemnified Party, on the other hand, in connection with the matters contemplated by the Engagement Letter, or, if such allocation is determined by a court or arbitral tribunal to be unavailable, in such proportion as is appropriate to reflect other equitable considerations such as the relative fault of the Company or its security holders and affiliates or other constituencies, on the one hand, and of the Indemnified Parties, on the other hand; provided, however, that, to the extent permitted by applicable law, the Indemnified Parties shall not be responsible for amounts which in the aggregate are in excess of the amount of all fees actually received by PJT Partners from the Company in connection with the Engagement. The Company agrees that for the purposes of this paragraph the relative benefits received, or sought to be received, by the Company and its security holders and affiliates and other constituencies, on the one hand, and the Indemnified Party, on the other hand, in connection with the matters contemplated by the Engagement Letter shall be deemed to be in the same proportion that the total value received or paid or contemplated to be received or paid by the Company or its security holders or affiliates and other constituencies, as the case may be, as a result of or in connection with the matters (whether or not consummated) for which PJT Partners has been retained to perform financial services bears to the fees paid to PJT Partners under the Engagement Letter; provided, however, to the extent permitted by applicable law, the Indemnified Parties, taken together, shall not be liable for Losses which in the aggregate are in excess of the amount of fees actually received by PJT Partners pursuant to the Engagement Letter (exclusive of amounts paid for reimbursement of expenses under the Engagement Letter).

The Company agrees that no Indemnified Party shall have any liability to the Company or any person asserting claims on behalf of or in right of the Company in connection with any matter in any way relating to or referred to in the Engagement Letter or arising out of the matters contemplated by the Engagement Letter, including, without limitation, related services and activities prior to the date of the Engagement Letter, except to the extent that it shall be determined by a court of competent jurisdiction in a judgment that has become final in that it is no longer subject to appeal or other review that any Losses incurred by the Company resulted solely from the gross negligence, bad faith or willful misconduct of PJT Partners.

If any Proceeding shall be brought, threatened or asserted against an Indemnified Party in respect of which indemnity or contribution may be sought against the Company, PJT Partners shall promptly notify the Company in writing; provided that failure to so notify the Company shall not relieve the Company from any liability which the Company may have on account of this indemnity or otherwise, except to the extent the Company shall have been actually materially prejudiced by such failure. The Company, upon the written request of such Indemnified Party, shall or, upon written notice to such Indemnified Party, may elect to, assume the defense of such Proceeding, at the Company's own expense, with counsel reasonably satisfactory to such Indemnified Party. Such Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (a) the Company has agreed in writing to pay such fees and expenses, (b) the Company has failed to assume the defense, pursue the defense reasonably diligently or to employ counsel in a timely manner, (c) outside counsel to such Indemnified Party has advised such Indemnified Party that in such Proceeding there is an actual or potential conflict of interest or a conflict on any material issue between the Company's position and the position of such Indemnified Party or (d) the named parties to any such Proceeding (including any impleaded parties) include such Indemnified Party and the Company, and outside counsel to such Indemnified Party has advised such Indemnified Party that there may be one or more legal defenses available to such Indemnified Party which are different from or in addition to those available to the Company.

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January 2, 2020

The Company agrees that, without PJT Partners' prior written consent (which shall not be unreasonably withheld, conditioned or delayed), it will not settle, compromise or consent to the entry of any judgment in any pending or threatened Proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not an Indemnified Party is an actual or potential party to such Proceeding), or otherwise directly or indirectly facilitate or participate in any such settlement, compromise or consent by any director, officer or affiliate of the Company, unless such settlement, compromise or consent (a) includes an explicit and unconditional release from the settling, compromising or consenting party of each Indemnified Party from all liability arising out of such Proceeding and (b) does not contain any factual or legal admission by or with respect to any Indemnified Party or any adverse statement with respect to the character, professionalism, due care, loyalty, expertise or reputation of any Indemnified Party or any action or inaction by each Indemnified Party. No Indemnified Party seeking indemnification, reimbursement or contribution under this letter agreement will, without the Company's prior written consent (which shall not be unreasonably withheld, conditioned or delayed), settle, compromise, consent to the entry of any judgment or otherwise seek to terminate any action, claim, suit, investigation or proceeding in respect of which indemnification, reimbursement or contribution may be sought.

The Company's reimbursement, indemnification and contribution obligations under this letter agreement shall be in addition to any liability which the Company may otherwise have at law or in equity, shall not be limited by any rights PJT Partners or any other Indemnified Party may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company, PJT Partners and any other Indemnified Party.

This agreement embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof. If any provision of this agreement is determined to be invalid or unenforceable in any respect, such determination will not affect or impair such provision or the remaining provisions of this agreement in any other respect, which will remain in full force and effect. No waiver, amendment or other modification of this letter agreement shall be effective unless in writing and signed by each party to be bound thereby.

The Company hereby agrees that any action or proceeding brought by the Company against PJT Partners based hereon or arising out of PJT Partners' engagement hereunder, shall be brought and maintained by the Company exclusively in the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York; provided, that, during the Company's chapter 11 cases, all legal proceedings pertaining to this engagement arising after such case is commenced may be brought in the bankruptcy court handling such case. The Company irrevocably submits to the jurisdiction of the courts of the State of New York located in the City and County of New York and the United States District Court for the Southern District of New York and appellate courts from any thereof for the purpose of any action or proceeding based hereon or arising out of PJT Partners' engagement hereunder and Irrevocably agrees to be bound by any judgment rendered thereby in connection with such action or proceedings. The Company hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter may have to the laying of venue of any such action or proceeding brought in any such court referred to above and any claim that such action or proceeding has been brought in an inconvenient forum and agrees not to plead or claim the same.

This agreement may be executed, including by electronic signature, in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. A facsimile of a signed copy of this agreement or other copy made by reliable mechanical means or an electronic signature may be relied upon as an original.

[SIGNATURE PAGE FOLLOWS]

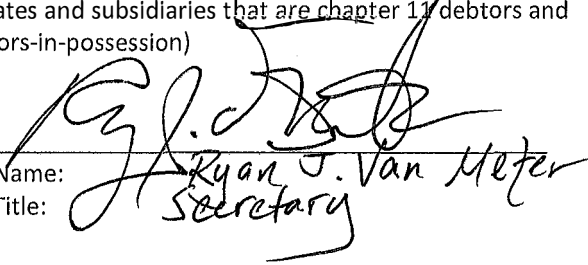
Imerys Talc America, Inc.
January 2, 2020

The provisions of this agreement shall apply to the Engagement, as well as any additional engagement of PJT Partners by us in connection with the matters which are the subject of the Engagement, and any modification of the Engagement or additional engagement and shall remain in full force and effect regardless of any termination or the completion of your services under the Engagement Letter.

This agreement and the Engagement Letter shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that state.

Very truly yours,

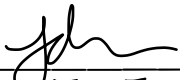
IMERYS TALC AMERICA, INC. (on behalf of itself and its affiliates and subsidiaries that are chapter 11 debtors and debtors-in-possession)

By: 
Name: Ryan J. Van Meter
Title: Secretary

Accepted and Agreed to as
of the date first written above:

PJT PARTNERS LP

By: PJT Management, LLC, its general partner

By: 
Name: JOHN JAMES O'CONNELL III
Title: Partner

Imerys Talc America, Inc.
January 2, 2020

Schedule I

Notices

Financial Matters Contacts: All communications and notices related to financial matters, including billing, shall be addressed to the following:

If to PJT Partners:

PJT Partners LP
280 Park Avenue
New York, NY 10017

Attention to either:

- Helen Meates, Chief Financial Officer; htm@pjtpartners.com; 212.364.7807
- David Figur, Director of Finance; figur@pjtpartners.com; 212.364.5056; or

If to the Company:

Imerys Talc America, Inc.
100 Mansell Court East, Suite 300
Roswell, Georgia 30076

Attention:

- Ryan Van Meter, Vice President & General Counsel – North America, ryan.vanmeter@imerys.com (404) 645-3739
- Anthony Wilson, Treasurer, anthony.wilson@imerys.com (408) 219-3544

All other notices shall be addressed to the following:

If to PJT Partners:

PJT Partners LP
280 Park Avenue
New York, NY 10017
Attention: General Counsel
Email: cuminale@pjtpartners.com
Tel: 212.364.7170

If to the Company:

Imerys Talc America, Inc.
100 Mansell Court East, Suite 300
Roswell, Georgia 30076
Attention: Ryan Van Meter, Esq., Vice President & General Counsel – North America
Email: ryan.vanmeter@imerys.com
Tel: (770) 645-3739

Imerys Talc America, Inc.
January 2, 2020

Schedule II

Wire Instructions

Bank Name:	First Republic Bank 1230 Avenue of the Americas New York, NY 10020
Bank Routing Number: (ABA)	321 081 669
For the benefit of: (Account Name/Title)	PJT Partners LP
Account Number:	80008139760
Swift Code:	FRBBUS6S

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT, INC., AND IMERYYS TALC CANADA INC. (THE "DEBTORS")
APPLICATION OF IMERYYS TALC CANADA INC. UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No: CV-19-614614-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**AFFIDAVIT OF ANTHONY WILSON
SWORN JUNE 29, 2020**

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Maria Konyukhova LSO#: 52880V
Tel: (416) 869-5230
mkonyukhova@stikeman.com

Nicholas Avis LSO#: 76781Q
Tel: (416) 869-5504
navis@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicant

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
)
JUSTICE MCEWEN)
)
FRIDAY, THE 3rd
DAY OF JULY, 2020

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT, INC.,
AND IMERYYS TALC CANADA INC. (THE "DEBTORS")**

**APPLICATION OF IMERYYS TALC CANADA INC., UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**ORDER
(BIDDING PROCEDURES)**

THIS MOTION, made by Imerys Talc Canada Inc. in its capacity as the foreign representative (the "**Foreign Representative**") of the Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order substantially in the form enclosed in the Motion Record, proceeded on this day by way of videoconference due to the COVID-19 crisis.

ON READING the affidavit of Anthony Wilson sworn June ●, 2020 (the "**Wilson Affidavit**"), the Seventh Report of Richter Advisory Group Inc., in its capacity as information officer (the "**Information Officer**") dated June ●, 2020, each filed, and upon being provided with copies of the documents required by section 49 of the CCAA,

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for the Information Officer, no one else appearing for any other parties although duly served as appears from the Affidavit of Service of Nicholas Avis sworn June ●, 2020,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

RECOGNITION OF FOREIGN ORDERS

2. **THIS COURT ORDERS** that any capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Wilson Affidavit.

3. **THIS COURT ORDERS** that the following orders of the United States Bankruptcy Court for the District of Delaware made in the insolvency proceedings of the Debtors under Chapter 11 of Title 11 of the United States Bankruptcy Code are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

- (a) an order dated June 30, 2020 (i) authorizing and approving bidding procedures (the "**Bidding Procedures**") for the sale (the "**Sale**") of all or substantially all of the Debtors' assets (collectively, the "**Assets**"), (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases and the determination of amounts necessary to cure all monetary defaults thereunder, (iii) establishing procedures in connection with the selection of a Stalking Horse Bidder, if any, and protections to be afforded thereto, (iv) scheduling an auction of the Assets for September 29, 2020, (v) scheduling a hearing to consider approval of any Sale to be held on October 14, 2020, (vi) approving the form and manner of notice in connection with the foregoing, and (vii) granting related relief (the "**Bidding Procedures Order**"); and
- (b) an order dated February 25, 2020 (i) authorizing the employment and retention of PJT Partners LP ("**PJT**") as their investment banker *nunc pro tunc* to November 7, 2019, and (ii) waiving certain informational requirements of Local Rule 2016-2 in connection therewith (the "**PJT Order**").

GENERAL

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to

assist the Debtors, the Foreign Representative, the Information Officer as officer of this Court, and their respective counsel and agents in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to the Debtors and the Foreign Representative and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

6. **THIS COURT ORDERS AND DECLARES** that this Order and all of its provisions are effective from the date it is made without any need for entry and filing.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT, INC., AND IMERYYS TALC CANADA INC. (THE "DEBTORS")
APPLICATION OF IMERYYS TALC CANADA INC. UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No: CV-19-614614-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**ORDER
(BIDDING PROCEDURES)**

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**MOTION RECORD
(RECOGNITION MOTION)
(Returnable July 3, 2020)**

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