

**IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

FIREMAN'S FUND INSURANCE	*	CIVIL ACTION NO. 2:12-cv-01865
COMPANY, AMERICAN INSURANCE	*	
COMPANY, AMERICAN AUTOMOBILE	*	JUDGE: JAY C. ZAINEY
INSURANCE COMPANY AND	*	
ASSOCIATED INDEMNITY COMPANY	*	MAGISTRATE: ALMA L. CHASEZ
	*	
VERSUS	*	
	*	
EAGLE, INC.	*	
	*	

ORDER

This matter came before the Court on the Uncontested Joint Motion of Plaintiffs Fireman's Fund Insurance Company, American Insurance Company, American Automobile Insurance Company and Associated Indemnity Company (collectively, "Fireman's Fund") and defendant Eagle, Inc. ("Eagle") to establish and approve a Qualified Settlement Fund under Section 468B of the Internal Revenue Code of 1986, as amended ("I.R.C."). Having considered the Joint Motion, together with the exhibits to the Joint Motion, the Court hereby finds and Orders as follows:

Findings of Fact:

1.1 Fireman's Fund and Eagle have entered into a final settlement agreement titled Confidential Settlement Agreement ("Fireman's Fund Settlement Agreement"). The Fireman's Fund Settlement Agreement resolves, among other things, all coverage issues for asbestos claims under those policies Federal allegedly issued to Eagle. Fireman's Fund disputes that it issued any coverage to Eagle that responds to the asbestos claims.

1.2 The Fireman's Fund Settlement Agreement provides that Fireman's Fund shall pay money into a Qualified Settlement Fund, as defined by Section 468B of the I.R.C. and the regulations promulgated thereunder.

1.3 The purposes of the Eagle QSF is to provide funds to pay for costs incurred by the parties in connection with claims, suits and demands alleging personal injury and bodily injury from alleged exposure to asbestos-containing materials ("Asbestos Claims"), to pay the legal fees of the parties related to such Asbestos Claims, to pay for legal fees and settlement costs of Asbestos Claims asserted against Eagle, to pay for administrative and management costs, and to do all things necessary or appropriate in connection with the Eagle QSF.

1.4 A separate limited liability company has been formed under the laws of the State of Delaware to act and be constituted as the Eagle QSF pursuant to an operating agreement ("Eagle QSF LLC").

Conclusions of Law:

2.1 Treasury Regulation § 1.468B-1 authorizes the establishment of a Qualified Settlement Fund if the requirements of paragraph (c) of the section are met.

2.2 The requirements of Treasury Regulation § 1.468B-1(c)(2) have been satisfied, as the Fireman's Fund Settlement Agreements and payment to the Eagle QSF will resolve Eagle's claims for coverage Fireman's Fund in connection with the Asbestos Claims.

2.3 The limited liability company referenced above as the Eagle QSF LLC will be constituted and will operate as the Eagle QSF.

2.4 The assets of the Eagle QSF are segregated from the assets of both Eagle and the Transferor insurer, satisfying the requirements of Treasury Regulation § 1.468B-1(c)(3).

2.5 The referenced settlement agreements, the establishment of the Eagle QSF and the transfer of the funds to the Eagle QSF pursuant to the terms of the settlement agreements comply with law as set forth herein.

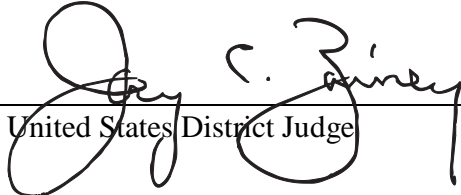
IT IS THEREFORE ORDERED THAT:

(1) The Eagle QSF LLC is hereby established as a Qualified Settlement Fund in compliance with § 468B of the Internal Revenue Code of 1986, as amended, and Treasury Regulations §§ 1.468B-0, *et seq.*, in order to receive settlement proceeds from the Fireman's Fund Settlement Agreement.

(2) The Court retains continuing jurisdiction in accordance with Income Tax Regulation § 1.468B-1 (c)(1) of all matters related to this Order; and

(3) A copy of this Order shall be served upon counsel for Fireman's Fund within five (5) days of counsel for Eagle's receipt.

9/10/13


United States District Judge