since July 17, 1992, against the Plan or any trustee or fiduciary with respect to the Plan any claim or proceeding relating to the Plan or its operation or administration, other than claims for benefits in the ordinary course; and (e) since July 17, 1992, all reports required to be filed with any governmental agency with respect to the Plan or its operation or administration were prepared in good faith, true and correct as of their filing dates and timely so filed; and (iii) nothing has occurred to the actual knowledge of any officer or director of any of the KREG Parties since the issuance of the most recent IRS favorable determination letter with respect to the Plan that could reasonably be expected to cause the loss of the tax-qualified status of the Plan. KREG shall indemnify, defend and hold harmless the Abex Parties, the parents, subsidiaries, affiliates, shareholders, officers, directors, employees and agents of any of them and all fiduciaries and trustees of any benefit plan sponsored or maintained by any of them from and against any and all claims,

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damage, loss, liability or expense (including without limitation reasonable attorneys' fees and expenses) arising out of or relating to any breach of any representation or warranty set forth in this subparagraph 4 B.

C Upon the Effective Date, the Abex Parties shall defend, indemnify and hold harmless the KREG Parties and each of their affiliates from and against any and all claims, damage, loss, liability or expense (including without limitation reasonable attorneys' fees and expenses) including without limitation claims by the PBGC and/or any beneficiary of the Plan other than
(i) a claim of breach of fiduciary duty of which any KREG officer or director had actual knowledge with respect to any act or omission, which claim arises prior to the Effective Date, or (ii) a claim for which KREG is providing an indemnity pursuant to subparagraph B of this paragraph 4

4 Plan Asset Report. KREG has previously furnished MAFCO with a certificate (the "Certificate") from Mellon Trust certifying the amount of assets in the Plan as of December 31, 1996

5 Additional Pullman Assets. KREG believes that Prudential Life Insurance Company ("Prudential") holds approximately $3.0 million or more in assets, and there may be other assets located elsewhere and not currently reported as Plan assets in the Certificate ("Additional Pullman Assets") which may

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be attributable to the Plan KREG asserts that it has expended monies pursuing these assets. MAFCO shall use reasonable efforts, and pay any and all costs associated with its efforts, to continue the pursuit and recovery of any and all Additional Pullman Assets for the benefit of the Plan MAFCO's obligation to expend its efforts as set forth in this paragraph 6 is conditioned upon KREG's cooperation in all material respects in this matter, including the prompt furnishing by KREG of all correspondence and other documentation relating to its efforts through the execution date of this Agreement to obtain Additional Pullman Assets and KREG's making available at its expense any employee or officer with knowledge of such matters not reflected in any correspondence or other documentation. In the event there is recovery of any of the Additional Pullman Assets by the Plan or any successor-in-interest to the Plan, MAFCO shall promptly pay to KREG 25 cents in cash for each $1.00 recovered In no event shall MAFCO be obligated to pay KREG in excess of $1,000,000 for the recovery of any and all Additional Pullman Assets

6 Pullman Claims and PPC Claims Without conceding the merits of any claim made or contemplated