

estimate for such claims. At December 31, 2003, we had accrued \$133 for indemnity and defense costs for contingent asbestos-related product liability claims and recorded \$113 as an asset for probable recoveries from insurers for such claims, compared to \$124 accrued for such liabilities and \$105 recorded as an asset at December 31, 2002. We review our claims database annually and make adjustments to our loss estimates if appropriate. While we expect our legal defense costs will continue at higher levels than when we were a member of the CCR, we believe that our litigation strategy has reduced and will continue to reduce our indemnity costs. We have agreements with our insurance carriers providing for the payment