

by any third party to this Agreement, upon the Effective Date, as between MAFCO, on the one hand, and the KREG Parties and PPC, on the other hand, MAFCO shall be solely responsible for and shall assume any and all liability for all present, past or future Pullman Claims and PPC

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Claims made against any of the KREG Parties and PPC. The allocation of responsibility as between MAFCO, on the one hand, and the KREG Parties and PPC, on the other hand, for the Pullman Claims and PPC Claims shall be further explicated as follows.

A. Upon the Effective Date, MAFCO shall assume from KREG the defense of all Pullman Claims and PPC Claims pending on such date against PPC or any of the KREG Parties and those claims described in Exhibit 1 attached hereto. KREG shall cooperate fully in such assumption and defense, including without limitation (i) turning over all papers and files, including without limitation papers and files in the possession of counsel, relating to such Claims, (ii) executing all documents in furtherance of the foregoing, and (iii) making available its employees and officers at its expense in order to assure a smooth transition to counsel appointed by MAFCO

B. Upon the Effective Date, the Abex Parties shall defend, indemnify and hold harmless the KREG Parties and each of their affiliates from any and all claims, costs, demands, reasonable attorneys' fees, causes of action, settlements, judgments or damages for any past, present or future Pullman Claims and PPC Claims made against any of the KREG Parties or PPC, and those claims attached as Exhibit 1

C. KREG shall notify MAFCO promptly of any Pullman Claims and PPC Claims commenced against PPC or any of the KREG Parties, so that MAFCO may assume the defense of such Claims

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without prejudice to the defense. KREG shall cooperate fully with MAFCO in such defense, including without limitation the execution of all documents in furtherance of the foregoing

D. Upon the Effective Date, MAFCO shall be solely liable, as between MAFCO, on the one hand, and PPC and the KREG Parties, on the other hand, and the Abex Parties shall defend, indemnify and hold harmless PPC and the KREG Parties against any liability, for any and all claims, costs, demands, reasonable attorneys' fees, causes of action, settlement, judgement, or damages occurring after the Effective Date with respect to any PPC Claim

E. At its option, KREG may participate at its expense with MAFCO in the defense of PPC Claims, but MAFCO shall, in all events, control such defense in all respects. If KREG elects to participate in the defense of the PPC Claims within the terms of this Agreement, such participation shall not in any way relieve the Abex Parties of any of its obligations hereunder.

F. Notwithstanding any other provisions of this Agreement, MAFCO shall have no obligation to reimburse PPC, any of the KREG Parties or any officer, director, employee, subsidiary, parent, affiliate or shareholder of any of them for any expense, including without limitation attorneys' fees or expenses, that they may have incurred or been billed with respect to the defense or settlement of PPC Claims, Pullman Claims, or