

AFFIDAVIT

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

I, Margaret J. Baumgardner, being of full age and first duly sworn do hereby state:

1. I am not a party to this action. I have personal knowledge of the facts set forth in this affidavit, and if called as a witness, I could and would competently testify as to the truth of the matters set forth herein.

2. I am the Research Coordinator for the Claims Resolution Management Corporation ("CRMC"), a wholly owned subsidiary of the Manville Personal Injury Settlement Trust ("Trust"). The CRMC was created in December 1998 and is staffed by former Trust employees. On January 1, 1999, CRMC began providing claims resolution facility services to the Trust.

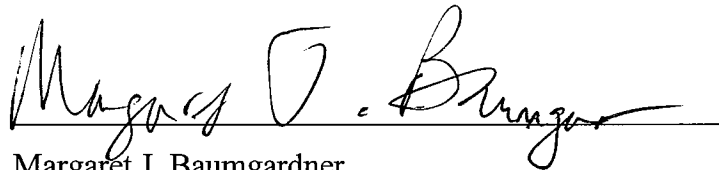
3. In this position, I manage the Asbestos Claims Research Facility ("Facility"), a document and records repository located at 3390 Peoria Street, Suite 304, Aurora, Colorado. The Facility contains the business records including but not limited to correspondence, memoranda, reports, records and data compilations ("record") of Manville Corporation or related entities ("Manville"), generally, as well as Manville records relevant to litigation of asbestos liability. The Trust has managed and operated the Facility from November 28, 1988, the date on which the Manville bankruptcy plan was consummated.

4. My experience and familiarity with the documents at the Facility began in 1983 while working for Manville. In my work as a paralegal for Manville, I assisted in locating, indexing and packing many of the records which became the foundation documents for the Facility. I continued to work for Manville until September 1987. From March 1988 to September 1988, I was hired to supervise and assist in the indexing of the first 20,000 boxes which were turned over to the Trust in November 1988. From September 1988 to January 1989, I assisted in the privilege review of documents to be given to the Trust. From November 1988 to April 1994, I worked for Freeborn & Peters and was put in charge of the Facility, managing all productions and "new" acquisitions. In September 1995, I was hired by the Trust to manage the Facility. In December 1998, I was hired by

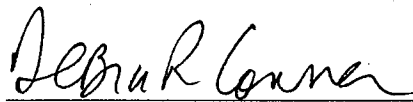
the CRMC to manage the Facility for the Trust. Accordingly, I am personally familiar with many of the records stored at the Facility, as well as how the records have been gathered.

5. To the best of my knowledge, information and belief, I certify that these records were made at or near the time by, or from information transmitted by, a person with knowledge, were kept in the course of the regularly conducted business activity of Manville, and it was the regular practice and the business activity of Manville to make the records.

6. Attached is a three-page document titled "Pneumoconiosis Cases" dated January 28, 1963 by R.C. Smith. This document was copied for the firm of Trine & Metcalf. The document has come from microfilm at the Facility and is a true and correct copy of a document found at the Facility.


Margaret J. Baumgardner

Subscribed and sworn to before
me this 23rd day of March, 2007.



Notary Public



My Commission Expires 12/03/2008

CONFIDENTIAL

See Last page

January 28, 1963

PNEUMOCONIOSIS CASES

1. Definitions

- A. A Red slip case is an employee who has been medically identified as having one of three stages of pneumoconiosis of occupational origin.
- B. A Pink slip case is an employee who has been medically identified as possibly showing signs of pneumoconiosis.
- C. A Blue slip case is an employee who has been medically identified as having a non-occupational lung condition. (Ordinarily, this person is promptly told of his condition and management is promptly alerted.)

2. Red Slip Cases

A. Problem

We have 71 Red slip cases. The Doctor has advised management to keep these employees out of toxic dust. Forty-six of these employees have been told (by the Doctor) of their condition and are either in dust free areas or are wearing respirators on part or all of their jobs.

Twenty-five identified Red slip cases have not been told of their condition and are not necessarily in dust free jobs.

B. Background

In 1955 we surveyed the plant and discovered 50 Red cases. By late 1957, most of the cases had been told of their condition and were "safely" placed.

From late 1957 to late 1961, some Red slip cases were retired or had expired. Some new cases had been discovered each year. The average number of cases remained at about 50 with from 46 to 50 knowing of their condition and being "safely" placed.

In late 1961, the reading of X-rays of annual physicals fell behind. In July and August, 1962, Dr. Smith read all delinquent X-rays. He reported 24 new Red cases. He stated that some of the new cases should have been classified at an earlier X-ray. (For example: Dr. Pitts read an X-ray of January, 1961 and said it was not a Red case. Dr. Smith read an X-ray of January, 1962 and said it was Red and further, the January, 1961 X-ray should have been Red.)

Dr. Smith reads X-rays throughout J-M and has a broader knowledge of Workman Compensation liabilities on O.D. cases in the U.S. and Canada.

From July, 1962 until now, only two new Red slip employees have been told of their condition.

C. Discussion

- (1) From a moral standpoint, employees identified as having pneumoconiosis should be told of their condition promptly.
- (2) From an ethical standpoint, Doctors should tell these people of their condition promptly.
- (3) From a practical standpoint, if we tell 25 persons they are pneumoconiotic within the next 2 to 6 weeks, there may be an undesirable panic or near-panic.

D. Recommendations

- (1) As an employee who is an untold Red slip case comes up for his annual physical, Medical, Safety and management personnel will place a top priority on clearing his job and telling him of his condition. (The plan will be to tell 1 in January, 5 in February, 3 in March, 3 in April, 3 in May, 3 in June, 3 in July and 4 in August. Thus the backlog will be completed by September 1, 1963.)
- (2) Safety and Medical personnel will arrange to handle "problem" cases first.
- (3) Safety and Medical personnel will draw-up a schedule of annual examinations of these untold Red slip cases in order to avoid such problems of telling two employees in the same department in the same month that they are Red slip cases.

3. Pink Slip Cases

A. Problem

We have approximately 225 Pink slip cases. In each case a Doctor has advised management - "Keep this employee out of toxic dust."

- (1) The Doctor has not told the employee he is a "possible" case.
- (2) Management cannot keep the employee out of dust if they cannot tell the employee the reason for their action.

B. Background

At a meeting of C. L. Sheckler, Dr. Davison, Boyd Mulder, R. C. Smith, J. D. Anderson and E. C. Greene on January 17, 1963, the Pink slip case problem was discussed.

It was generally agreed that management cannot, at this time, handle the problem of telling 225 Pink cases of their "possible" condition, keeping them on dust-free jobs, and steering them out of temporary dusty jobs which come up without a job classification change.

Mr. Sheckler mentioned that at the Manville Plant, there are no Pink slips. All information on the subject is kept in the Medical record of the employee and is reviewed carefully by Medical personnel at each annual physical.

C. Recommendations

- (1) We recommend a policy be made that all information on Pink slip cases be returned to the Medical department records and that any new "possible" pneumoconiosis cases be kept in the Medical records only.
- (2) In order to carry out this policy, the Safety department will collect all Pink slips in its possession and in the employee's personnel file and return them to the Medical department.
- (3) The Medical department will check that proper notes are made in the employee's medical record and will then destroy the Pink slip.
- (4) Managers will inform Superintendents and Supervisors to destroy all records or codes which refer to Pink slip cases.

R. C. SMITH

*Discussed at Plant Managers
meeting of JAN 31, 1963
all recommendations approved
by managers to go into effect 1-31-63*

RCJ