

EXHIBIT F

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LIQUIDATION ANALYSIS

The Bankruptcy Code (11 U.S.C. § 101 *et seq.*) requires that each holder of an impaired claim or equity interest either (a) accept the Plan; or (b) receive or retain under the Plan property of value, as of the effective date of the Plan, that is not less than the value such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on the effective date. The first step in making this determination is to estimate the value of the Debtors' assets that would be generated from their liquidation under chapter 7. Such amount would then be reduced by the amount of any claims secured by such assets and by the administrative expenses resulting from termination of the Debtors' business and the use of chapter 7 for the purposes of liquidation, specifically including the costs and expenses of a chapter 7 trustee (the "Trustee") and his or her professionals. Any remaining net cash would be available to creditors and shareholders in strict priority in accordance with section 726 of the Bankruptcy Code. Based on investigations of the Debtors and their counsel, the Debtors believe that the Debtors' estate does not currently hold any preference or fraudulent transfer claims under state or federal law that the Debtors or, in the event of a conversion, a chapter 7 trustee might pursue.

A general summary of the assumptions used by the Debtor in preparing this Liquidation Analysis follows.

Estimates of Net Proceeds.

Estimates were made of the cash proceeds that might be realized from the liquidation of the Debtors' assets. In this case, the only substantial assets of the Debtors' estates are its various insurance policies providing coverage for Asbestos Personal Injury Claims against the Debtors. In connection with the Plan, the Debtors have negotiated prospective settlements with four of its insurers, Hartford Accident and Indemnity Company, Bituminous Casualty Company, ACE Property & Casualty Insurance Company and Safety National Casualty Company that will provide in excess of \$16 million for distribution among creditors asserting Asbestos Personal Injury Claims. In addition, the Debtors continue to negotiate with other insurance carriers in an effort to reach settlements that can be incorporated into the Plan.

These settlements are only possible in the context of the Chapter 11 Plan, where the Debtors can provide certain injunctive relief that will better protect the carriers from any additional claims relating to the subject insurance policies. Such injunctive relief is unavailable under chapter 7, and there is no provision that would permit a Trustee to create a centralized mechanism for equitable resolution of the thousands of pending Asbestos Personal Injury Claims. Consequently, in a chapter 7 scenario, these settlements would not likely be consummated and the underlying insurance policies would not likely be pursued by the chapter 7 trustee; rather, it is likely that the trustee would consent to relief from the automatic stay to permit holders of Asbestos Personal Injury Claims to pursue claims against the Debtors' insurance carriers, to the extent of available coverage, and to the extent such relief is legally unavailable.

It is possible that certain holders of Asbestos Personal Injury Claims might fare better with unrestrained, first-come, first-serve access to the Debtors' insurance coverage, but it is expected that, in the absence of settlement, the Debtors' insurance carriers will assert certain coverage defenses and will incur substantial defense costs that might erode portions of the Debtors' insurance coverage. As a result, holders of Asbestos Personal Injury Claims would fare substantially better under the Plan than under a disorganized individual pursuit of Asbestos Personal Injury Claims against the Debtors' insurance carriers that would result from conversion or dismissal of the Debtors' case.

Estimate of Costs.

The compensation to which a chapter 7 trustee is entitled is generally governed by section 326 of the Bankruptcy Code. Section 326 provides a formula for calculation of compensation based on disbursements made to creditors as follows: a trustee's compensation is "not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including holders of secured claims." 11 U.S.C. § 326(a). Because it is not known what proceeds, if any, a chapter 7 trustee will obtain from the Debtors' insurance policies, the amount of anticipated chapter 7 trustee fees cannot be estimated at this time. However, pursuant to section 326 of the Bankruptcy Code, if the Trustee distributed proceeds totaling \$5 million, he or she would be entitled to a fee of up to \$173,250. If the Trustee distributed proceeds of \$8 million, he or she would be entitled to a fee of \$263,250, and distributions totaling \$16,473,996.37 (the amount the Debtor anticipates receiving under the Plan, exclusive of any recoveries from insurers with whom the Debtors have not yet settled) would yield a fee of up to \$517,469.89.

The Debtors' costs of liquidation under chapter 7 would include, as referred to above, statutory fees payable to the Trustee, as well as those which might be payable to attorneys and other professionals that the Trustee may engage. In addition, the assets available to holders of Asbestos Personal Injury Claims following dismissal or the modification of the automatic stay might be further depleted by defense costs incurred by the Debtors' insurance carriers in the process of litigating individual Asbestos Personal Injury Claims.

Distribution of Net Proceeds under Absolute Priority

The foregoing types of claims, costs, expenses, fees and such other claims that may arise in a liquidation case would be paid in full from the liquidation proceeds before the balance of those proceeds would be made available to pay unsecured claims. Furthermore, several courts have recognized the rights of holders of personal injury claims covered by a debtor's insurance to recover directly from the proceeds of that insurance coverage. Here, holders of Asbestos Personal Injury Claims would be expected to deplete entirely the Debtors' insurance coverage. Over 20,000 Asbestos Personal Injury Claims remain unliquidated, and the obligations of the Debtors' insurance carriers remain subject to challenge. As a result, the Debtors cannot accurately predict the total available amount of insurance coverage, net of defense costs, nor the total claims that would be satisfied by that coverage. However, based on these facts and

circumstances, the Debtors believe that, under the absolute priority rule, no unsecured creditor would receive any distribution from the Debtors' assets.

The Plan also provides for a separate class of Supplemental Bar Date Asbestos Personal Injury Claims for Claimants that did not file Proofs of Claim on or before the February 19, 2002 Bar Date due to the fact that they were unaware of the condition(s) giving rise to their claims until after the Bar Date had passed. These claimants that will receive a portion of the proceeds from the Debtors' proposed settlements with their insurance carriers. If in a chapter 7 liquidation, the Trustee would be unable to consummate the proposed settlements, these Claimants would likely also engage in efforts to proceed directly against the Debtors' insurance policies, causing further erosion of policy limits.

After consideration of the effects that a chapter 7 liquidation would have on the ultimate proceeds available for distribution to creditors, including (i) the increased costs and expenses of a liquidation under chapter 7 arising from the Trustee's fees and expenses (including those of the Trustee's professionals), (ii) the erosion in value of assets in a chapter 7 case due to expeditious liquidation required under chapter 7 and the "forced sale or other liquidation" atmosphere that would likely prevail, (iii) the unavailability of a central claims resolution mechanism for Asbestos Personal Injury Claims under chapter 7; and (iv) the various erosion and coverage defenses likely to be raised by insurers outside the context of a settlement, THE DEBTORS HAVE DETERMINED, AS SUMMARIZED ON THE FOLLOWING CHART, THAT CONFIRMATION OF THE PLAN WILL PROVIDE EACH CREDITOR AND EQUITY HOLDER WITH A RECOVERY THAT IS EITHER EQUAL TO OR GREATER THAN IT WOULD RECEIVE PURSUANT TO A LIQUIDATION OF THE DEBTORS UNDER CHAPTER 7 OF THE BANKRUPTCY CODE.

Under the Plan, the Debtors anticipate receiving over fifteen million dollars for the benefit of its creditors, as follows:

ASSETS OF THE DEBTORS' ESTATES

<u>Description</u>	<u>Amount Realized Under the Plan</u>
Estimated Cash on Hand (as of Effective Date)	\$0.00
Hartford Settlement Payment Under the Plan	\$9,191,305.20
Bituminous Settlement Payment Under the Plan	\$1,585,394.63
ACE Settlement Payment Under the Plan	\$797,296.54
Safety National Settlement Payment Under the Plan	\$4,900,000
Recoveries from additional insurance carriers	(Unknown)
Total Assets	Not less than \$16,473,996.37

Although the Debtors do not anticipate that the same value would be obtained from Hartford Accident and Indemnity Company, Bituminous Casualty Company, ACE Property & Casualty Insurance Company or Safety National Casualty Company in the event of a conversion or dismissal (and that recoveries from additional insurance carriers might also be diminished), for purposes of the following chart, the Debtors will presume that the same amounts would be available under either scenario:

ANTICIPATED DISTRIBUTIONS TO CREDITORS

Description	Distributions Under Plan	Under a Hypothetical Chapter 7 Liquidation
Estimated Chapter 7 Trustee Statutory Compensation (assuming total disbursements of not less than \$16,473,996.37)	\$0.00 n/a	\$517,469.89
Estimated Liquidation and Litigation Expenses	\$75,000	\$150,000
Estimated Chapter 11 Administrative Expenses	\$550,000	\$550,000
Secured Claims	\$0.00	\$0.00
Amount Available for Distribution to Holders of Asbestos Personal Injury Claims (including Supplemental Bar Date Asbestos Personal Injury Claims)	Not less than \$15,848,996.37	Not less than \$15,256,526.48
Amount Available for Distribution to Holders of General Unsecured Claims	\$0.00	\$0.00

THE DEBTORS' LIQUIDATION ANALYSIS IS AN ESTIMATE OF THE PROCEEDS THAT MAY BE GENERATED AS A RESULT OF A HYPOTHETICAL CHAPTER 7 LIQUIDATION OF THE ASSETS OF THE DEBTORS. Underlying the

liquidation analysis are a number of estimates and assumptions that are inherently subject to significant economic, competitive and operational uncertainties and contingencies beyond the control of the Debtors or the Trustee. In addition, various liquidation decisions upon which certain assumptions are based are subject to change. Therefore, there can be no assurance that the assumptions and estimates employed in determining the liquidation values of the Debtors' assets will result in an accurate estimate of the proceeds that would be realized were the Debtors to undergo an actual liquidation. The actual amounts of claims against the estate could vary from the estimate set forth herein, depending on the claims asserted during the pendency of the chapter 7 case. Moreover, this liquidation analysis does not include liabilities that may arise as a result of litigation, certain new tax assessments, or other potential claims.