

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re)	Chapter 11
ACandS, INC.,)	Case No. 02-12687 (JKF)
Debtor,)	

NOTICE OF HEARING ON DEBTOR'S MOTION FOR APPROVAL OF SETTLEMENT AND BUYBACK AGREEMENT AMONG TRAVELERS, ACANDS PARTIES, AND OTHER PARTIES

PLEASE TAKE NOTICE that a hearing will be held on the motion (the "Motion") by ACandS, Inc. (the "Debtor"), filed on July 9, 2007, for the entry of an order (the "Approval Order") approving a settlement agreement (the "Settlement Agreement") among: the Debtor; certain of its affiliates (the "ACandS Parties"); certain of its former affiliates (the "Former Irex Entities"); certain other entities (all as more fully set forth and defined in the Settlement Agreement); and The Travelers Indemnity Company, Travelers Casualty and Surety Company (f/k/a The Aetna Casualty and Surety Company), The Standard Fire Insurance Company, St. Paul Fire and Marine Insurance Company, United States Fidelity and Guaranty Company, and certain of their affiliates (collectively and as further defined in the Settlement Agreement, "Travelers"). As part of the Settlement, the Approval Order will authorize and approve the sale of certain insurance policies issued by Travelers (the "Travelers Insurance Policies," as defined in the Settlement Agreement), free and clear of any and all claims, liens, encumbrances and interests of any kind, to Travelers.

provided to Travelers under the Plan, the Approval Order will contain an injunction issued pursuant to Section 105(a) of the United States Bankruptcy Code in support of the free and clear purchase by Travelers of the Travelers Insurance Policies (all as more fully set forth in the Settlement Agreement), subject to, among other conditions, the effective date of the Plan.

PLEASE TAKE FURTHER NOTICE that the hearing on the Motion will be held on **August 28, 2007 at 3:00 p.m. Prevailing Eastern Time**, or as soon as thereafter as counsel can be heard, before the Honorable Judith K. Fitzgerald, United States Bankruptcy Judge, at the United States Bankruptcy Court, 5490 US Steel Tower, 600 Grant Street, Pittsburgh, PA 15219.

The Settlement Agreement provides, among other things, for:

PLEASE TAKE FURTHER NOTICE that any objections or responses to the relief requested in the Motion (i) shall be made in writing, (ii) shall state with particularity the grounds therefor, (iii) shall otherwise conform with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules, and (iv) must be filed with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801 on or before **August 17, 2007 by 4:00 p.m. Prevailing Eastern Time** (the "Objection Deadline"). You must also serve a copy of the objection or response, so that it is received by no later than the Objection Deadline, on: (i) Counsel to the Debtor, Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: Laura Davis Jones, Esquire, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705; (ii) The Office of the United States Trustee, Attn: Richard Schepacarter, Esquire, J. Caleb Boggs Federal Building, 844 King Street, Wilmington, DE 19801; (iii) Counsel to the Official Committee of Asbestos Personal Injury Claimants: (A) Campbell & Levine, LLC, Attn: Marla Eskin, Esquire, 800 North King Street, Suite 300, 3rd Floor, Wilmington, DE 19801, (B) Campbell & Levine, LLC, Attn: Philip E. Milch, Esquire, 1700 Grant Building, Pittsburgh, PA 15219, and (C) Caplin & Drysdale, Chartered, Attn: Elihu Inselbuch, Esquire, 375 Park Avenue, New York, NY 10152; (iv) Insurance Counsel for the Debtor, Gilbert Rappan LLP, Attn: David B. Killalea, Esquire, 1100 New York Ave. NW, Suite 700, Washington, D.C. 20005-3324; (v) Counsel to the Future Claimants Representative, Young Conaway Stargatt & Taylor, LLP, Attn: Edwin J. Harron, Esquire, 1000 West Street, 17th Floor, P.O. Box 391, Wilmington, DE 19899-0391; and (vi) Counsel to Travelers, Simpson Thacher & Bartlett LLP, Attn: Bryce L. Friedman, Esquire, 425 Lexington Avenue, New York, NY 10017. **IF YOU FAIL TO TIMELY RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.**

PLEASE TAKE FURTHER NOTICE that this Notice provides only a summary of certain terms of the Settlement Agreement and that the Settlement Agreement should be consulted for the complete terms and conditions. In the event of any inconsistency between this Notice and the Settlement Agreement, the Settlement Agreement shall control. A complete copy of the Motion, the Settlement Agreement with accompanying exhibits and the proposed Approval Order may be obtained by making a written request addressed to Laura Davis Jones, Curtis Hehn, and Louise Tuschak at Pachulski Stang Ziehl Young Jones & Weintraub, LLP, 919 N. Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705, fax (302) 652-4400, or by contacting The Garden City Group, Inc. at toll-free number 888-455-9302. A complete copy of the documents is also posted at www.ACSbankruptcy.com.

Payment to ACandS Asbestos Settlement Trust. Travelers Casualty and Surety Company will pay \$449 million (the "Settlement Amount") into escrow within five business days after the bankruptcy court has approved the Settlement Agreement. Under the terms of the Settlement Agreement and subject to satisfaction of the conditions specified therein, including confirmation of a plan of reorganization to be filed by the Debtor (the "Plan"), the Settlement Amount and any earnings thereon will be paid to the ACandS Asbestos Settlement Trust (as defined in the Settlement Agreement), which is contemplated to be created under the Plan. The Plan will, among other things, direct the resolution of asbestos personal injury claims in accordance with the terms of the Plan and establish trust distribution procedures for such claims to be approved in connection with the Plan.

Releases under Settlement Agreement and Injunction(s) under the Plan. Subject to, among other conditions, the effective date of the Plan, the Debtor, the ACandS Parties and certain other entities remise, release, discharge and covenant not to sue Travelers from any and all Claims arising from, relating to or involving the Travelers Insurance Policies, Asbestos-Related Claims, Asbestos-Related Property Damage Claims, Non-Asbestos-Related Claims, the ACandS/Travelers Insurer Actions, the Insurance Relationship and/or the Litigations (all as more fully set forth and as each term is defined in the Settlement Agreement). In accordance with the requirements of the United States Bankruptcy Code, the Debtor intends to pursue confirmation of the Plan, which will, among other things, satisfy certain conditions to the effectiveness of the Settlement Agreement. Such Plan will, in relevant part, permanently stay, restrain and enjoin all entities and persons that now hold or may in the future hold Asbestos-Related Claims, Asbestos-Related Property Damage Claims, Non-Asbestos-Related Claims and/or ACandS/Travelers Insurer Actions from taking any action of any nature whatsoever to collect or recover from Travelers in any manner with respect to any such Claim (all as more fully set forth and defined in the Settlement Agreement).

Sale of Travelers Insurance Policies Free and Clear; Injunction. Subject to, among other conditions, the effective date of the Plan, the Travelers Insurance Policies will be sold to Travelers, free and clear of all claims, liens, encumbrances and interests of any kind and nature whatsoever pursuant to Section 363 of the United States Bankruptcy Code. In addition to the injunctive protections to be