

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	Case No. 01-1139 (JKF)
W.R. GRACE & CO., <i>et al.</i> ,	)	Jointly Administered
	)	
Debtors.	)	<b>Re: Docket No. 20622</b>
	)	

**THIRD AMENDED CASE MANAGEMENT ORDER RELATED  
TO THE FIRST AMENDED JOINT PLAN OF REORGANIZATION**

The following third amended schedule shall govern the remaining deadlines and hearings with respect to confirmation of the First Amended Joint Plan of Reorganization, as amended (the "Plan"), jointly submitted by the Debtors together with the Official Committee of Asbestos Personal Injury Claimants, the Official Committee of Equity Security Holders, and the Asbestos PI Future Claimants' Representative (collectively the "Plan Proponents"):

1. The hearing with respect to confirmation of the Plan shall take place in two phases. The first phase shall address (i) whether the Plan improperly affects the rights of Debtors' insurers (in their capacity as insurers, but not creditors); (ii) the standing of the Debtors' insurers (in their capacity as insurers, but not creditors) to litigate confirmation objections that involve issues other than those described in section (i) herein provided however, that the Plan Proponents shall not challenged the standing of the insurers, to the extent they are parties to Asbestos Insurance Reimbursement Agreements, to object to, in Phase II, the Plan's proposed treatment of the Asbestos Insurance Reimbursement Agreements, under the Plan; and (iii) the confirmation objections raised on behalf of and specific to lenders under the Pre-Petition Credit

Facilities<sup>1</sup> and other Class 9 creditors with respect to impairment. The second phase shall address the objections of: (i) parties classified under the Plan as Holders of Indirect PI or PD Trust Claims (including insurers as Holders of Indirect PI or PD Trust Claims with respect to such Claims); (ii) the objections of the Libby Claimants and (iii) any other confirmation objections not addressed and resolved in Phase I.<sup>2</sup>

2. Phase I of the Confirmation Hearing shall take place on June 22-25, 2009. Phase II of the Confirmation Hearing shall take place on September 8-11, 2009. A pretrial conference for Phase II issues and a hearing regarding other confirmation issues, if needed, shall take place on July 20-21, 2009.

3. The remaining discovery schedule for Phases I and II shall be as follows:

<b>Discovery Item</b>	<b>Due Date</b>
Final Witness Lists (Phase I)	5/15/2009
Rebuttal Expert Reports (Phase I and Phase II (non-Libby and non Feasibility))	5/15/2009
Completion of Phase I Non- Expert and Expert Depositions	5/18/2009
Final Plan Objections (both Phases)(except Feasibility)	5/20/2009
Sur-Rebuttal Expert Reports re Libby issues	5/20/2009
Trial Briefs – Objectors (Phase I)	6/1/2009

<sup>1</sup> Capitalized terms not defined herein shall have the meaning ascribed to them in the Plan.

<sup>2</sup> Arrowood Indemnity Company continues to object to this Order for the same reasons stated previously in its objections to the previous CMO but does not oppose submission by the Debtors of this Order for entry on a Certificate of Counsel.

Trial Briefs – Plan Proponents (Phase I)	6/8/2009
Exchange of Exhibits (Phase I)	6/8/2009
Binders due to Court (Phase I)	6/8/2009
Completion of Expert and Non- Expert Depositions (Phase II)( except re Feasibility)	6/15/2009
Commencement of Depositions (Non- Expert) re Feasibility	6/15/2009
Final Witness Lists (Phase II)	6/15/2009
Written Fact Discovery served re Feasibility	6/15/2009
<b>Phase I Hearing</b>	<b>6/22-25/2009</b>
Trial Briefs – Objectors (Phase II) (except re Feasibility)	7/13/09
<b>Phase II Pre-Trial and other confirmation matters</b>	<b>7/20-21/2009</b>
Expert Reports re Feasibility	7/24/09
Conclusion of Fact Discovery re Feasibility	7/31/2009
Supplemental or Rebuttal Expert Reports re Feasibility	8/7/09
Trial Briefs – Plan Proponents (except re Feasibility)	8/7/09
Conclusion of Expert Depositions re Feasibility	8/21/2009
Exchange of Exhibits (including Feasibility) (Phase II)	8/25/2009
Trial Briefs/Final Plan Objections re: Feasibility (Plan Proponents and Objectors) (10 page limit)	8/25/2009

Binders due to Court (Phase II)	8/25/2009
Phase II Hearing	9/8-11/2009

4. Preliminary objections will be without prejudice to the inclusion of new objections after completion of discovery.

5. Simultaneously with the service of the expert reports, the parties shall also serve other interested parties with all documents on which the expert relies in forming his or her opinion which are not publicly available (e.g., medical journal articles). Draft reports prepared in connection with this case are not discoverable, but nothing in this Order limits or is intended to limit the use of any material, however obtained, for examination or cross examination of fact or expert witnesses at trial.

6. The various witness lists to be filed shall separately identify those witnesses anticipated to be called with respect to Libby issues.

7. All parties, including the Libby claimants, the Plan Proponents and the insurers, shall work together to expeditiously complete the production of documents and other discovery materials.

8. The insurers shall use their best efforts to coordinate their discovery and pre-trial efforts to the extent possible.

9. Any person named on the final witness disclosure list whose identity was not previously disclosed by the party in interest calling that witness as having knowledge or information relevant to this dispute, may be deposed by other parties in interest thereafter, but in no event later than 30 days after the final witness lists are filed. Any person named on the final witness list to testify with respect to feasibility issues may be deposed consistent with the schedule provided above for feasibility discovery.

10. In exchanging exhibits, all parties shall exchange copies of (or, when appropriate, make available for inspection) all exhibits to be offered and all schedules, summaries, diagrams and charts to be used at the corresponding Confirmation Hearing. Each proposed exhibit shall be pre-marked for identification.

11. The attorneys representing the Asbestos PI Committee, the attorneys representing one or more members of the Asbestos PI Committee, and other attorneys representing one or more Asbestos PI Claimants shall not be precluded from testifying at the Confirmation Hearing by reason of representing such Committee, members or Claimants.

12. All hearings outlined herein shall take place on the dates outlined herein before the Honorable Judith K. Fitzgerald, United States Bankruptcy Judge, in her Courtroom in the United States Bankruptcy Court for the Western District of Pennsylvania, 5464 U.S. Steel Tower, 600 Grant Street, Pittsburgh, Pennsylvania 15219, beginning at 9:00 a.m. except for the Hearing on September 8, 2009 which shall begin at 11:00 a.m.

13. All parties preserve all rights and objections. This includes the right to seek supplements to this CMO in order to address additional concerns. Such supplements may be appropriate to address, without limitation: discovery regarding solvency, additional document discovery regarding new witnesses, advance identification of objections to exhibits, the responsibilities of the PI Committee and individual PI lawyers to respond to discovery, and the allocation of cost burdens associated with discovery of x-rays.

14. All rights are reserved also to seek modifications of the deadlines set forth in this CMO. The parties and the Court recognize that the pretrial process is complicated and some dates may have to change as further developments occur.

15. Counsel for the Debtors shall immediately serve a copy of this Order on all parties listed on the current service list and any other parties in interest and file a certificate of service with the Clerk of the Bankruptcy Court within five (5) days hereof.

ORDERED this 5 day of <sup>May</sup> ~~April~~ 2009.

*Judith K. Fitzgerald*

Honorable Judith K. Fitzgerald  
United States Bankruptcy Judge

SAS