

The Babcock & Wilcox Company Asbestos PI Trust
c/o Wilmington Trust Company
1100 N. Market Street
Wilmington, DE 19890-1625

August 8, 2017

The payment percentage applicable to claims against The Babcock & Wilcox Company Asbestos PI Trust (the "Trust") will remain at **11.9%**.

As set forth in the letter to you dated **June 19, 2017**, Section 4.2 of the Trust Distribution Procedures requires that the Trustees to reconsider the payment percentage no less frequently than once every three years. Accordingly, and upon the recommendation of the Trust's advisors, the Trustees deemed such reconsideration to be appropriate, and upon the advice of their advisors, determined to reconsider the payment percentage.

As required by Section 4.2 of the Trust Distribution Procedures, the Trustees took into consideration current estimates of the number, types and values of present and future claims against the Trust, the value of assets currently available to the Trust for claims payments, anticipated processing, administrative and legal expenses, and all other material matters that we and our advisors considered to be reasonably likely to affect the sufficiency of the Trust's assets to pay a comparable percentage of full value to all holders of claims against the Trust, including the allowance for claim value inflation approved by the Trust, Trust Advisory Committee and Future Claim Representative. In doing so, the Trustees received and relied on presentations and advice from their advisors.

After reconsideration, the payment percentage applicable to claims against The Babcock & Wilcox Company Asbestos PI Trust will remain at **11.9%**.

The Babcock & Wilcox Company Asbestos PI Trust