

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

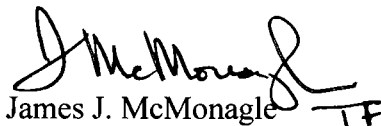
July 21, 2009

Dear Claimants and Claimants' Counsel:

This letter is a follow-up to the letter from the Babcock & Wilcox Company Asbestos PI Trust sent to you July 1, 2009. At that time, the Trustees advised you that pursuant to Section 4.2 of the Trust Distribution Procedures, the Trust was undertaking a reconsideration of the applicable Payment Percentage.

The Trustees and their advisors anticipate that the Trust's reconsideration of the applicable Payment Percentage will be complete on or about Monday, August 3, 2009. At that time, pursuant to Section 4.3 of the Trust Distribution Procedures, the Trustees may propose to the TAC and the Future Claimants' Representative a redetermination of the Payment Percentage. Please note that those outstanding offers where releases are received or postmarked prior to any proposed redetermination of the Payment Percentage will be honored at the current Payment Percentage.

Yours very truly,

A handwritten signature in black ink, appearing to read "J. McMonagle". The signature is written in a cursive style with a horizontal line at the end.

James J. McMonagle
Managing Trustee,
Babcock & Wilcox Company Asbestos PI Trust