EnPro Holdings Inc.

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January 24, 2017

Mr. Michael A. Mintzer
Chief, NY/Caribbean Superfund Branch
Office of Regional Counsel
U.S. EPA, Region II
290 Broadway, 17th Floor
New York, NY 10007-1866

Re: **Liberty Industrial Finishing Superfund Site**
Assignment from Coltec Industries to EnPro Holdings

Dear Mr. Mintzer:

I am the Vice President of EnPro Holdings, Inc. ("Holdings") and Director, Environmental, and Deputy General Counsel of its parent corporation, EnPro Industries, Inc. ("EnPro"). I am writing regarding a recent internal corporate restructuring of Coltec Industries Inc ("Coltec"), a wholly-owned subsidiary of EnPro. Coltec is a party to the 2003 Consent Judgment regarding the Liberty Industrial Finishing Superfund site (*United States of America v. Coltec Industries Inc, et al.*, E.D.N.Y.) and has been and continues to take corrective action at the site.

As you may know, certain of EnPro's subsidiaries, including Coltec, have for many years been defending asbestos claims. In March 2016, EnPro announced a comprehensive settlement to permanently resolve asbestos claims against Coltec and Garlock Sealing Technologies LLC ("GST"). This comprehensive settlement was an important and positive milestone for EnPro. In announcing the settlement, Steve Macadam, EnPro's President and Chief Executive Officer, said, "Once consummated, this agreement will bring to a close our history of managing asbestos claims, which began well before EnPro became an independent company 14 years ago, and it will allow us to proceed into a future unimpeded by the costs and distractions of managing asbestos lawsuits."

To implement the comprehensive settlement, Coltec underwent an internal corporate restructuring on December 31, 2016 that resulted in its transfer of substantially all of its assets to a newly formed entity, EnPro Holdings, LLC ("Holdings"). Like Coltec, Holdings is a direct wholly owned subsidiary of EnPro. As part of that transfer, Coltec assigned to Holdings certain liabilities and obligations, including all of Coltec's environmental liabilities and obligations. That assignment included Coltec's liabilities and obligations at the Liberty Industrial Finishing Superfund site.

An additional component of the internal corporate restructuring was the December 31, 2016 merger of Coltec into OldCo, LLC ("OldCo"), a newly formed indirect wholly owned subsidiary of EnPro. Coltec's merger into OldCo followed Coltec's transfer of assets to Holdings. The primary reason for Coltec's corporate restructuring was to facilitate the implementation of the comprehensive asbestos settlement. As Coltec's successor, OldCo retained responsibility for all asbestos claims against Coltec and all of Coltec's rights to insurance assets.

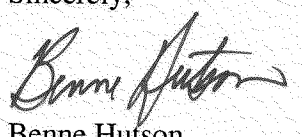
As part of EnPro's asbestos claims resolution process, GST entered into Chapter 11 bankruptcy in June 2010, and OldCo plans to file its own Chapter 11 bankruptcy on January 30, 2017. OldCo's bankruptcy is a "pre-packaged" Chapter 11 case, and OldCo's joint plan of reorganization with GST (the "Joint Plan") implements the consensual comprehensive resolution of asbestos liabilities of Coltec and GST. The Joint Plan has already been overwhelmingly accepted by asbestos claimants, so OldCo anticipates receiving all necessary court approvals for confirmation of the Joint Plan and emerging from bankruptcy during the third quarter of 2017.

You can expect to receive notice of OldCo's bankruptcy, and the automatic stay arising under Bankruptcy Code § 362(a) will, upon the filing of OldCo's bankruptcy, prevent any claims and actions against OldCo, as successor to Coltec. The automatic stay will not, however, prevent any claims or actions against Holdings.

EnPro undertook Coltec's corporate restructuring to facilitate the path for the resolution of asbestos claims while minimizing business disruption as much as possible. By design, that corporate restructuring kept the environmental liabilities and obligations formerly owed by Coltec and recently assigned to and assumed by Holdings outside of the bankruptcy process (other than having the automatic stay limit claims and actions against OldCo, as successor to Coltec) and will allow Holdings to continue to address those environmental liabilities and obligations without disruption.

We look forward to continuing working with you as needed to address Holdings' environmental obligations and liabilities. If you have any questions, please contact me at (704) 526-3818 or Benne.Hutson@EnProIndustries.com.

Sincerely,



Benne Hutson
Vice President

cc: **Via Email**

Charles Merrill
Ralph Golia