IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	**Chapter 11**
	)	
ABB LUMMUS GLOBAL, INC.,	)	**Case No. 06-10401 (MFW)**
	)	
Debtor.	)	

ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2017

The Honorable Dean M. Trafelet, Ret., Trustee of the ABB Lummus Global Inc. 524(g) Asbestos PI Trust (the "Trust"), created pursuant to ABB Lummus Global Inc.'s Plan of Reorganization, as Modified Through June 8, 2006 (the "Plan"), submits this Annual Report, Financial Statements and Results of Operations of the ABB Lummus Global Inc. 524(g) Asbestos PI Trust for Fiscal Year Ended December 31, 2017.

I. General

ABB Lummus Global Inc. filed a voluntary petition for relief under Chapter 11, Title 11 of the United States Code (the "Bankruptcy Code") on April 21, 2006. The hearing on confirmation of the Plan was held before the United States Bankruptcy Court for the District of Delaware (the "Court") on June 21, 2006. The Court entered the Order (A) Approving Disclosure Statement and Solicitation Procedures, (B) Confirming and Recommending Affirmance by the U.S. District Court of Debtor's Plan of Reorganization as Modified Through June 8, 2006 and (C) Setting Bar Dates to File Certain Claims in Paragraphs 51, 52, 53 and 74 on June 29, 2006. On July 19, 2006, the United States District Court for the District of Delaware entered its Order Affirming Confirmation Order and Issuing Injunctions.

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The Effective Date of the Plan occurred on August 31, 2006.

Pursuant to the Plan, Steven Kazan, Russell W. Budd, and Perry Weitz are the members of the Trust Advisory Committee ("TAC") and Richard B. Schiro is the Future Claimants' Representative ("FCR").

The Final Decree was entered and the bankruptcy case was closed on January 18, 2007. The Order of Final Decree provides that the Court retains jurisdiction with respect to all issues related to the Trust and directs that the Clerk of the Court shall not refuse to accept for filing any pleading or report submitted by the Trust on the grounds that the case has been closed.

The ABB Lummus Global Inc. 524(g) Asbestos PI Trust Agreement ("Trust Agreement") and the ABB Lummus Global Inc. 524(g) Trust Bylaws (the "Bylaws") require the Trustee to meet with the TAC and the FCR at least two times each calendar year, at regular or special meetings. The Trust held regular meetings during 2017 on February 15, 2017, May 16, 2017, September 26, 2017, and November 15, 2017. At many of these meetings, several persons attended by telephone, as authorized by the Bylaws and encouraged by the Trustee.

Pursuant to the Bylaws, the principal office of the Trust is located at 1105 Market Street, Suite 1300, P.O. Box 8985, Wilmington, Delaware 19899.

In 2017, the Trust entered and/or continued services agreements with Stutzman, Bromberg, Esserman & Plifka, a Professional Corporation (general counsel); Ankura Consulting Group LLC (accountant and administrator); Verus Claims Services LLC (claims processing facility and claims administrator); Cray, Kaiser Ltd. (auditor);

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Northern Trust Company (financial consultant and money manager); and AON Risk Services Central, Inc. (insurance agent). The Trust retained local counsel as needed.

The Trust maintained liability insurance coverage for the Trustee, the members of the TAC and the FCR.

II. Asbestos PI Claims

The ABB Lummus Global Inc. 524(g) Asbestos PI Trust Distribution Procedures (as amended, the "TDP"), the Revised and Restated Procedures for Reviewing and Liquidating Lummus Asbestos PI Trust Claims, Lummus Claim Forms, an electronic filing agreement, the Lummus Release and other claims-related forms and instructions are available at www.ABBLummusTrust.org.

A. Payment Percentage, Maximum Annual Payment and Claims Payment Ratio

The Payment Percentage for 2017 was 14.7%.

The Maximum Annual Payment for 2017 was $1,462,535.

Pursuant to Section 2.5 of the TDP, as amended by the Fourth Amendment to the TDP (the "Fourth Amendment"), commencing in calendar year 2017, the Trust ceased enforcing the Claims Payment Ratio provisions in the TDP subject to the ability of the Trustee, any member of the TAC or the FCR to reinstate the enforcement of the provisions in the manner provided in the Fourth Amendment. Pursuant to Section 2.5 of the TDP, during the time when the Trust is not enforcing the Claims Payment Ratio, the Trust continues to internally track and maintain records regarding the funds allocated to

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Category A and to Category B and the payment and approval of claims with respect thereto.[1]

In 2017, the 80%/20% Claims Payment Ratio was not enforced. As required under Section 2.5 of the TDP, the Trust provided the TAC and the FCR a report showing (a) the amount of the Maximum Annual Payment allocated to Category A and to Category B for year 2017, (b) the amounts paid with respect to claims during year 2017 that would have been subject to the Claims Payment Ratio in each Category, and (c) the amounts approved for payment (but not yet paid) as of December 31, 2017, with respect to claims that would have been subject to the Claims Payment Ratio in each Category. That report was provided to the TAC and the FCR on January 30, 2018, and will be discussed in the Trust's annual report for the year ending December 31, 2018.

From the unused and remaining Maximum Annual Payment in 2016, the Trust carried $767,922 into 2017. In 2017, the Trust made payments as follows:

Maximum Annual Payment =	$ 1,462,535
Carryover from 2016 =	$ 767,922
Total for 2017 =	$ 2,230,457
Paid in 2017 (net of refunds) =	$ 1,998,982
Carryover into 2018 =	$ 231,475
Supplemental Payments (net of refunds)[2] =	$ 2,723,246

[1] Category A Claims refer to claims involving severe asbestosis and malignancies (Disease Levels IV – VIII) as well as allocated Disease Level I claims. Category B Claims refer to claims involving non-malignant Asbestosis or Pleural Disease (Disease Levels II and III) as well as allocated Disease Level I claims. A claim for Other Asbestos Disease (Disease Level I – Cash Discount Payment) is allocated to either Category A or B based on the highest disease level established by the medical evidence submitted for the claim.

[2] In 2017, the Trust made supplemental payments to claimants who were previously paid at the prior Payment Percentage to increase their recovery to the 14.7% Payment Percentage level in accordance with Section 2.3 of the TDP.

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A total of 89 liquidated Category A Claims and 254 liquidated Category B Claims remained in the FIFO Payment Queue as of December 31, 2017.

B. Claims Statistics for the Fiscal Year Ending December 31, 2017

The Trust received 3,609 claims in 2017 (3,315 Lummus Feedwater Heater Claims and 294 Lummus Design and Construction Claims, as those terms are defined in the TDP). The Trust liquidated and paid 2,515 claims in 2017, totaling $1,998,982 after application of the Payment Percentage. Below is further detail with respect to the claims received and paid by the Trust in 2017.

Total claims received in 2017:

Total Category A Claims received in 2017 =		1,714
Category A Claims submitted for Expedited Review	1,061	
Category A Claims submitted for Individual Review	653	
Total Category B Claims received in 2017 =		1,895
Category B Claims submitted for Expedited Review	1,802	
Category B Claims submitted for Individual Review	93	
Total claims received in 2017 =		3,609

Total claims paid in 2017:

Total Category A Claims paid in 2017 =		773
Category A Claims paid pursuant to Expedited Review	421	
Category A Claims paid pursuant to Individual Review	352	

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Total Category B Claims paid in 2017 =	1,742
Category B Claims paid pursuant to Expedited Review	1,730
Category B Claims paid pursuant to Individual Review	12
Total claims paid in 2017 =	2,515

Since inception of the Trust, the Trust has not approved 65,490 claims, including rejected claims, claims with uncured deficiencies, and withdrawn and deferred claims. The number of claims in the FIFO Processing Queue (as that term is defined in the TDP) on December 31, 2017, totaled 378, of which 30 are Category A Claims and 348 are Category B Claims.

III. Compensation and Expenses of Trustee

Under Section 5.5(c) of the Trust Agreement, the Trust reports to the Court the amount of compensation and expenses paid to the Trustee. During the fiscal year ending December 31, 2017, the Trustee was paid a total of $84,963 for compensation and expenses incurred.

The Delaware Trustee received compensation during the fiscal year ending December 31, 2017 in the amount reported in the audited financial statements, attached hereto as Exhibit "A." See Schedule A-1 to the audited financial statements.

IV. Financial Statements

A copy of the Trust's audited financial statements for the fiscal year ending December 31, 2017 is attached as Exhibit "A." The attached financial statements include a supplemental schedule (Schedule A-1) detailing the Trust's operating and claims processing expenses for the years ended December 31, 2017 and 2016.

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V. Certification

The Trustee has performed pursuant to and in compliance with the Plan, the Trust Agreement, the Bylaws, the TDP, the Lummus Confirmation Order and the other Plan Documents and Court orders pertaining to the operation of the ABB Lummus Global Inc. 524(g) Asbestos PI Trust during the Fiscal Year ended December 31, 2017.

TRUSTEE:

/s/ Dean M. Trafelet
DEAN M. TRAFELET

Dated: April 30, 2018

HOGAN♦McDANIEL

By: */s/ Daniel K. Hogan*
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ATTORNEYS FOR THE ABB LUMMUS GLOBAL, INC. 524(g) ASBESTOS PI TRUST

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EXHIBIT A

ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST

SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

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ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST

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Notes to the Special-Purpose Financial Statements

Supplementary Information

Independent Auditors' Report on Supplemental Schedules

Schedule A-1 - Supplemental Schedule of Operating and Claims Processing Expenses

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CRAY, KAISER LTD.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS TO BUSINESS

Independent Auditors' Report

To the Trustee of the
ABB Lummus Global Inc. 524(g) Asbestos PI Trust

Introductory Paragraph

We have audited the accompanying special-purpose statements of assets, liabilities and net assets available for the payment of claims of the ABB Lummus Global Inc. 524(g) Asbestos PI Trust (the "Trust"), a Trust created under the laws the state of Delaware, as of December 31, 2017 and 2016 and the related special-purpose statements of changes in net assets available for the payments of claims and special-purpose statements of cash flows available for the payment of claims for the years then ended, and the related notes to the special-purpose financial statements.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with Section 524(g) of the United States Bankruptcy Code. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Emphasis of Matter - Special-Purpose Financial Statement Presentation

As described in Note 2, the accompanying special-purpose financial statements have been prepared for the purpose of complying with the Trust Agreement dated August 30, 2006, and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America. The special-purpose basis of accounting has been used in order to communicate the amount of net assets presently available for current and future claims.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Trust as December 31, 2017 and 2016, and the results of its changes in net assets and cash flows available for the payment of claims for the years then ended on the special-purpose basis of accounting described in Note 2.

Other Matter

This report is intended solely for the information and use of the Trustee, beneficiaries of the Trust and the United States Bankruptcy Court for the District of Delaware and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

CRAY, KAISER LTD.
Certified Public Accountants

Oakbrook Terrace, Illinois
April 18, 2018

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EXHIBIT A

ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
SPECIAL-PURPOSE STATEMENTS OF ASSETS, LIABILITIES AND NETS ASSETS AVAILABLE FOR THE PAYMENT OF CLAIMS
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS:		
Cash and cash equivalents	$ 914,678	$ 370,769
Investment Securities:		
Equity securities	$ 4,848,186	$ 5,698,589
Fixed income securities	16,739,960	20,493,941
Total Investment Securities	$ 21,588,146	$ 26,192,530
Accrued interest receivable	$ 73,051	$ 89,448
Prepaid insurance	23,490	24,837
Prepaid expenses	-0-	1,767
Total Assets	$ 22,599,365	$ 26,679,351
LIABILITIES:		
Accounts payable	$ 29,818	$ 123,406
Accrued operating expense	18,509	-0-
Total Liabilities	$ 48,327	$ 123,406
Net Assets Available For The Payment of Claims	$ 22,551,038	$ 26,555,945

The accompanying notes are an integral part of the financial statements.

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EXHIBIT B

ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
SPECIAL-PURPOSE STATEMENTS OF CHANGES IN NET ASSETS
AVAILABLE FOR THE PAYMENT OF CLAIMS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
ADDITIONS:		
Interest and dividend income, net of amortization	$ 543,827	$ 604,195
Realized gain (loss) on investment securities	266,996	(891)
Unrealized gain on investment securities	435,389	317,063
Other income	-0-	551
Total Additions	$ 1,246,212	$ 920,918
DEDUCTIONS:		
Operating and claims processing expenses	$ 528,891	$ 658,813
Facility claims settlements	4,722,228	554,125
Total Deductions	$ 5,251,119	$ 1,212,938
NET DECREASE IN NET ASSETS AVAILABLE	$ (4,004,907)	$ (292,020)
NET ASSETS AVAILABLE FOR THE PAYMENT OF CLAIMS:		
BEGINNING OF YEAR	26,555,945	26,847,965
END OF YEAR	$ 22,551,038	$ 26,555,945

The accompanying notes are an integral part of the financial statements.

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EXHIBIT C

ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
SPECIAL-PURPOSE STATEMENTS OF CASH FLOWS
AVAILABLE FOR THE PAYMENT OF CLAIMS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Decrease in net assets available for the payment of claims	$ (4,004,907)	$ (292,020)
Changes in operating assets and liabilities:		
Realized (gain) loss on investment securities	(266,996)	891
Unrealized gain on investment securities	(435,389)	(317,063)
Decrease in accrued interest receivable	16,397	42,307
Decrease in prepaid expenses	3,113	561
Increase in due from Verus Claims Services, LLC	-0-	(377)
(Decrease) increase in accounts payable	(93,589)	86,303
Decrease (increase) in accrued operating expense	18,508	(7,688)
Net Cash Used In Operating Activities	$ (4,762,863)	$ (487,086)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net purchases of investment securities	$ -0-	$ (357,826)
Net proceeds received on the sale of investment securities	5,306,772	-0-
Net Cash Provided By (Used In) Investing Activities	$ 5,306,772	$ (357,826)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 543,909	$ (844,912)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	370,769	1,215,681
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 914,678	$ 370,769

The accompanying notes are an integral part of the financial statements.

ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 - DESCRIPTION OF THE TRUST

The ABB Lummus Global Inc. 524(g) Asbestos PI Trust ("Trust") is a Delaware statutory trust created to assume all Lummus Asbestos PI Trust Claims (whether now existing or arising at any time hereafter) and to use the Lummus Asbestos PI Trust Assets to pay holders of such Lummus Asbestos PI Trust Claims in accordance with the Lummus Trust Agreement Trust Distribution Procedures ("TDP"), and in such a way that all holders of Lummus Asbestos PI Trust Claims that involve similar claims are treated in substantially the same manner and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B)(i) of the Bankruptcy Code. The Trust was established pursuant to the Prepackaged Plan of Reorganization of ABB Lummus Global Inc. as confirmed by the United States Bankruptcy Court (the "Confirmed Plan"). The Confirmed Plan became effective on August 31, 2006 (the Effective Date or the Effective Date of the Plan of Reorganization). Capitalized terms have the meanings as defined in the Confirmed Plan.

At inception, the Trust was funded with $5,000,000 in an insurance settlement guaranty payment and $5,400,000 in cash proceeds from a promissory note dated August 31, 2006, in the principal sum of $33,000,000. On May 2, 2007, the Trust received payment of $28,711,562 from ABB Lummus Global, Inc. as final payment on the promissory note. The cash contributed on May 2, 2007 included $27,600,000 in full principal payment and $1,111,562 of interest. As of May 2, 2007, the promissory note of $33,000,000 has been paid in full.

The Trustee is responsible for supervising and administering the Lummus Asbestos PI Trust Claims resolution process. The Trust will use its funding for Trust operations and for settlement of the Lummus Asbestos PI Trust Claims as defined in the Confirmed Plan.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Trust's financial statements are prepared using special-purpose accounting methods that differ from accounting principles generally accepted in the United States of America. The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the amount of equity available for payment of current and future claims. These special-purpose accounting methods are as follows:

The financial statements are prepared using the accrual basis of accounting.

Funding received from ABB Lummus Global, Inc. has been recorded directly to net claimants' equity. These funds do not represent income of the Trust. Settlement offers for asbestos personal injury claims are reported as deductions in net claimants' equity and do not represent expenses of the Trust. Under accounting principles generally accepted in the United States of America, funds available for the payment of claims would be recorded as a liability and personal injury claims paid are reported as reductions to net claimants' liability.

Costs of non-income producing assets, which will be exhausted during the life of the Trust and are not available for satisfying claims, are expensed as they are incurred. These costs include acquisition costs of computer hardware, software, software development, office furniture and leasehold improvements.

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ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

The liability for unpaid claims reflected in the statements of net claimants' equity represents settled but unpaid claims and outstanding settlement offers. Lummus Asbestos PI Trust Claims' liability is recorded once a settlement offer has been made to the claimant and accepted by the claimant by submission to the Trust of an executed release. Net claimants' equity represents funding available to pay present and future claims on which no fixed liability has been recorded.

Use of Estimates

The preparation of financial statements in conformity with the special-purpose accounting methods described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net claimants' equity during the reporting period. Actual results could differ from those estimates. The most significant estimates with regard to these financial statements relate to unpaid claims.

Cash and Cash Equivalents

The Trust considers cash on hand and all highly liquid debt instruments purchased with a maturity of one month or less to be cash equivalents.

The Trust places its cash with a high quality credit institution. At times, such cash may be in excess of the Federal Depository Insurance Corporation insurance limit. The Trust routinely assesses the financial strength of its banking institution and, as a consequence, believes that its cash credit risk exposure is limited. At December 31, 2017 and 2016, the Trust maintained a bank account which held funds in excess of FDIC-insured limits.

Investment Securities

Investments securities stated at market value are based on quoted market prices at the date of the financial statements with the changes in unrealized gain and losses recorded in the current period. Investment income is recognized when earned. Gains and losses on sales are determined by specific identification.

The Trust classifies its marketable equity securities as available-for-sale. The investment securities are considered to be available-for-sale securities, as they are used to satisfy claims, and are reported at market. All interest and dividend income, as well as net realized gains/losses, are included in investment income on the statement of net assets available for the payment of claims. Realized gains and unrealized gains and losses are recorded as separate components on the statement of net assets available for the payment of claims.

Realized gains/losses are recorded based on the security's original cost. At the time a security is sold, all previously recorded unrealized holdings gains/losses are reversed and recorded net, as a component of other unrealized gains/losses in the accompanying statement of changes in net assets available for the payment of claims.

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ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Expenses and Accounts Payable

Accrued expenses and accounts payable consist of legal accruals, as well as outstanding bills associated with managing the Trust.

Operating and Administrative Expenses

Operating and administrative expenses of the Trust are paid from net assets available for the payment of claims.

Date of Management's Review

For the current reporting period, subsequent events were evaluated through April 18, 2018, which represents the date the financial statement was available to be issued.

NOTE 3 - INVESTMENT SECURITIES

Available-for-sale investment securities at December 31, 2017 consist of:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
Equity Securities	$ 3,256,964	$ 1,591,222	$ -0-	$ 4,848,186
Fixed Income Securities	16,622,909	210,265	(93,214)	16,739,960
	$ 19,879,873	$ 1,801,487	$ (93,214)	$ 21,588,146

Available-for-sale investment securities at December 31, 2016 consist of:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
Equity Securities	$ 4,614,256	$ 1,084,333	$ -0-	$ 5,698,589
Fixed Income Securities	20,305,391	331,192	(142,642)	20,493,941
	$ 24,919,647	$ 1,415,525	$ (142,642)	$ 26,192,530

Accrued interest receivable at December 31, 2017 and 2016 was $73,051 and $89,448, respectively.

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NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 3 - INVESTMENT SECURITIES (Continued)

Scheduled maturities of fixed income securities classified as available-for-sale at December 31, 2017 were as follows:

Due In:	
Current Bond Fund	6,517,645
2018	2,558,895
2019	2,093,959
2020	2,602,646
2021	994,640
2022	2,044,730
	$ 16,812,515

NOTE 4 - INCOME TAXES

According to the Internal Revenue Code, the Trust is classified as a Qualified Settlement Fund and is therefore subject to federal income taxes based on modified gross income, as defined by the Income Tax topic of the Financial Accounting Standards Board Accounting Standards Codification. In the opinion of management, the Trust is not subject to state income taxes and therefore, the financial statements do not include any provision or liability for state income taxes.

The Trust has adopted generally accepted accounting principles related to uncertain tax positions and has evaluated the tax positions taken for all open tax years. Currently, the 2014, 2015, 2016, and 2017 tax years are open and subject to examination by the Internal Revenue Service and the United States Bankruptcy Court for the District of Delaware; however, the Trust is not currently under audit nor has the Trust been contacted by any of these agencies.

The net operating loss (NOL) carryforward for the year ended December 31, 2016 was $641,535 and for the year ended December 31, 2015 was $252,148. The federal tax rate for the Trust is was 39.6% for the years ended December 31, 2017 and 2016. The estimated deferred tax asset is $293,022 and $271,638 at December 31, 2017 and 2016, respectively. The utilization of the net operating loss is dependent on having net taxable income in the future. The net operating loss may be carried forward for twenty years.

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ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 4 - INCOME TAXES (Continued)

The estimated deferred tax asset includes the following computation for the years ended December 31:

	2017	2016
Net estimated deferred tax asset, beginning of year	$ (271,638)	$ (121,158)
Adjusted estimated deferred tax asset	$ (271,638)	$ (121,158)
Net estimated loss	$ (54,000)	$ (380,000)
Federal Tax Rate	39.6%	39.6%
Current year tax asset	$ (21,384)	$ (150,480)
Cumulative net asset, end of year	$ (293,022)	$ (271,638)
Net reserve for cumulative net tax benefit	293,022	271,638
Net deferred tax asset	$ -0-	$ -0-

The Trust has recorded a reserve for the estimated tax benefit of $293,022 and $271,638 for the years ended December 31, 2017 and 2016, respectively, as it is uncertain the Trust will have taxable income in the future to be offset. The Trust will utilize $-0- of the deferred tax asset for the years ended December 31, 2017 and December 31, 2016.

NOTE 5 - CONTINGENT LIABILITIES

The Trust estimates the amount of potential exposure it may have with respect to claims, assessments and litigation as defined by the Contingencies Topic of the Financial Accounting Standards Board Accounting Standards Codification. All Lummus Asbestos PI Trust Claims as defined in the Confirmed Plan have been assumed by this Trust. If any other legal proceedings occur, it is not always possible to predict the outcome, as they are subject to many uncertainties. Additionally, it is not always possible for management to make a meaningful estimate of the potential loss or range of loss associated with such litigation.

NOTE 6 - LIABILITY FOR ASBESTOS CLAIMS

The Trust applied a Payment Percentage of 14.7% for the year ended December 31, 2017 and paid claims of $4,722,228, which included supplemental payments of $2,723,598. The supplemental payments were the result of an approved payment percentage increase (from 10% to 14.7%) on January 4, 2017 for claimants in the FIFO payment queue as of November 22, 2016.

The Trust applied a Payment Percentage of 10% for the year ended December 31, 2016 and paid claims of $554,125.

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ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
NOTES TO THE SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 7 - TRUSTEES' LIABILITY INSURANCE

Directors and officers' insurance was purchased from RLI Insurance Specialty Company for $25,110 per year, during the year ended December 31, 2017 and $26,250 per year, during the year ended December 31, 2016. The policy term is from December 7, 2017 through December 7, 2018. Insurance expense amounted to $26,457 and $27,111 for the years ended December 31, 2017 and 2016, respectively.

NOTE 8 - TRUSTEE EXPENSES

Fees and expenses of the Trustee for the year ended December 31, 2017 and 2016 were $84,963 and $88,899, respectively.

NOTE 9 - FAIR VALUE MEASUREMENTS

The Broad Transactions topic of the Financial Accounting Standards Board Accounting Standards Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Trust has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data or correlation by other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

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ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST
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NOTE 9 - FAIR VALUE MEASUREMENTS (Continued)

Equity Securities: Valued at the net asset value ('NAV') of shares held by the Trust at year end.

Fixed Income Securities: Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Trust believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Trust's assets at fair value at December 31, 2017 and December 31, 2016, respectively:

	Assets at Fair Value at December 31, 2017			
	Level 1	Level 2	Level 3	Total
Equity Securities	$ 4,848,186	$ -0-	$ -0-	$ 4,848,186
Fixed Income Securities	16,739,960	-0-	-0-	16,739,960
Total Assets at Fair Value	$ 21,588,146	$ -0-	$ -0-	$ 21,588,146

	Assets at Fair Value at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equity Securities	$ 5,698,589	$ -0-	$ -0-	$ 5,698,589
Fixed Income Securities	20,493,941	-0-	-0-	20,493,941
Total Assets at Fair Value	$ 26,192,530	$ -0-	$ -0-	$ 26,192,530

NOTE 10 - CHANGES IN FINANCIAL STATEMENT PRESENTATION

Certain statements presented in the audited financial statement at and for the year ended December 31, 2016 have been reclassified for financial statement presentation purposes to be consistent with the presentation at and for the year ended December 31, 2017. There is no income or loss effect resulting from these reclassifications and the changes have been made for comparability purposes only.

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SUPPLEMENTARY INFORMATION

CRAY, KAISER LTD.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS TO BUSINESS

Independent Auditors' Report on Supplementary Information

To the Trustee of the
ABB Lummus Global Inc. 524(g) Asbestos PI Trust

The report on our audit of the special-purpose financial statements of the ABB Lummus Global Inc. 524(g) Asbestos PI Trust as of December 31, 2017 and 2016 appears on the Independent Auditors' Report. Our audit was conducted for the purpose of forming an opinion on the special-purpose financial statements as a whole in accordance with the basis of accounting described in Note 2 to such financial statements. The schedule of operating and claims processing expenses is presented for purposes of additional analysis and is not a required part of the special-purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special-purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special-purpose financial statements as a whole.

This report is intended solely for the information and use of the Trustee, beneficiaries of the Trust and the United States Bankruptcy Court for the District of Delaware and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

CRAY, KAISER LTD.
Certified Public Accountants

Oakbrook Terrace, IL
April 18, 2018

1901 S Meyers Road, Suite 230 | Oak Brook Terrace, IL 60181 | 630-953-4900 : P | 630-953-4905 : F | www.craykaiser.com

ABB LUMMUS GLOBAL INC. 524(g) ASBESTOS PI TRUST **SCHEDULE A-1**
SUPPLEMENTAL SCHEDULE OF OPERATING AND
CLAIMS PROCESSING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
TRUST FEES AND EXPENSES:		
Audit fees	$ 25,893	$ 27,119
Insurance expense	26,457	27,111
Rent	750	750
Investment advisory fees	34,970	40,787
Administrator - Ankura Consulting Group, LLC	99,521	173,378
Wilmington Trust fees	2,674	2,500
Legal fees:		
The Hogan Law Firm - Delaware counsel to the Trust	4,048	3,810
Stutzman, Bromberg, Esserman & Plifka - General counsel to the Trust	63,698	53,410
Total Legal Fees	$ 67,746	$ 57,220
Total Trust Fees and Expenses	$ 258,011	$ 328,865
TRUSTEE FEES AND EXPENSES:		
Hon. Dean Trafelet, Ret.	$ 84,963	$ 88,899
TRUST ADVISORY COMMITTEE ("TAC") FEES:		
Kazan, McClain, Abrams, Lyons, Greenwood & Harley	$ 819	$ 594
Frank/Gecker LLP	17,522	12,543
Caplin & Drysdale	-0-	3,990
Total Trust Advisory Committee ("TAC") Fees	$ 18,341	$ 17,127
FUTURE CLAIMANTS' REPRESENTATIVE ("FCR") FEES:		
Hamilton, Rabinovitz, & Associates, Inc.	$ -0-	$ 17,960
Law Offices of Richard B. Schiro	1,215	2,039
Porter & Hedges LLP	2,373	1,422
Total Future Claimants' Representative ("FCR") Fees	$ 3,588	$ 21,421
CLAIMS PROCESSING EXPENSES:		
Verus Claims Services, LLC	$ 163,988	$ 202,501
TOTAL OPERATING AND CLAIMS PROCESSING EXPENSES	$ 528,891	$ 658,813

See Independent Auditors' Supplementary Information Report.