IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
	)	
ARTRA GROUP, INCORPORATED,	)	Case No. 02 B 21522
	)	
Debtor.	)	Honorable Pamela S. Hollis
	)	

NOTICE OF FILING

PLEASE TAKE NOTICE that on April 28, 2011, the ARTRA 524(g) Asbestos Trust filed the **ARTRA 524(g) Asbestos Trust Special-Purpose Financial Statements dated December 31, 2010** and **Related Information** with the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division.

Dated: April 28, 2011

ARTRA 524(g) ASBESTOS TRUST

By: /s/ *Frances Gecker*
One of its attorneys

Joseph D. Frank (ARDC # 6216085)
Frances Gecker (ARDC # 6198450)
Fritz E. Freidinger (ARDC #6216093)
FRANK/GECKER LLP
325 North LaSalle Street, Suite 625
Chicago, Illinois 60654
Phone: (312) 276-1400
Fax: (312) 276-0035

{ARTRA\001\00013599.DOC\}

Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/1

CERTIFICATE OF SERVICE

I, Frances Gecker, an attorney, hereby certify that on April 28, 2011, the foregoing **ARTRA 524(g) Asbestos Trust Special-Purpose Financial Statements dated December 31, 2010** and **Related Information** were electronically filed with the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division. Notice of the filing will be sent to all parties who are currently on the Court's Electronic Mail Notice List by operation of the Court's Electronic Filing System (see below). A copy also was served this day upon each of the parties listed on the attached Service List by first class U.S. mail, postage prepaid, where Electronic Mail Notice was not available.

COURT'S ELECTRONIC MAIL NOTICE LIST

- Brad Berish bberish@ag-ltd.com
- Barry A Chatz bachatz@arnstein.com, bchatz@ecf.epiqsystems.com;jbmedziak@arnstein.com;blsutton@arnstein.com
- Barry A Chatz bachatz@arnstein.com
- James A. Chatz jachatz@arnstein.com, jbmedziak@arnstein.com
- Jason R. Donovan jrd@merlolaw.com
- Janice L. Duban janice.duban@dlapiper.com
- Frances Gecker fgecker@fgllp.com
- Chad H. Gettleman cgettleman@ag-ltd.com
- Michael J. Golde mgolde@fgllp.com, ccarpenter@fgllp.com
- Joy E Levy jelevy@arnstein.com
- Brian E. Mahoney brian.mahoney@mclolaw.com
- Patrick C. Maxcy pmaxcy@sonnenschein.com
- Matthew E. McClintock matthew.mcclintock@klgates.com, teresa.gomez@klgates.com;jeffrey.heller@klgates.com
- David N Missner david.missner@dlapiper.com
- Gerald F. Munitz gerald.munitz@goldbergkohn.com, lspencer@butlerrubin.com;nlarsen@butlerrubin.com
- William T Neary USTPRegion11.ES.ECF@usdoj.gov
- Mary F. Stafford mstafford@clausen.com, cbrown@clausen.com;gwebster@lynberg.com
- Miriam R. Stein mrstein@arnstein.com, jbmedziak@arnstein.com
- Kathleen A. Sweitzer ksweitzer@tsmp.com, tsmpdocket@tsmp.com;mmorrison@tsmp.com
- A Kelly Turner kturner@lordbissell.com

By: */s/ Frances Gecker*

{ARTRA\001\00013599.DOC\}

Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/2

SERVICE LIST

Alfred M. Wolin, U.S.D.J. (Ret.) SAIBER LLC 18 Columbia Turnpike, Suite 200 Florham Park, New Jersey 07832	Hon. Erwin I. Katz 2839 West Morse Avenue Chicago, IL 60645-2929 EKatz18@aol.com
Steven T. Baron Russell W. Budd BARON & BUDD, P.C. 3102 Oak Lawn Avenue, Suite 1100 Dallas, Texas 75219 sbaron@baronbudd.com mhanners@baronbudd.com	David S. Frockt BERGMAN & FROCKT 614 First Avenue Fourth Floor Seattle, Washington 98104 david@bergmanlegal.com
Matthew P. Bergman BERGMAN & FROCKT 614 First Avenue Fourth Floor Seattle, Washington 98104 and BERGMAN & FROCKT 17530 Vashon Highway SW Vashon, Washington 98070 matt@bergmanlegal.com	Steven J. Kherkher Charles Finley WILLIAMS BAILEY LAW FIRM, L.L.P. 8441 Gulf Freeway, Suite 600 Houston, Texas 77017-5001 skherkher@williamskherker.com cfinley@williamskherkher.com
Mark H. Iola STANLEY, MANDEL & IOLA, L.L.P. 3100 Monticello Avenue, Suite 750 Dallas, Texas 75205 mhiola@aol.com	Scott W. Wert FOSTER & SEAR 817 Greenview Drive Grand Prairie, Texas 75050-2439 swert@fostersear.com
Steven Kazan KAZAN, MCCLAIN, ABRAMS, LYONS, GREENWOOD, & HARLEY P.C. 171 12th Street, Third Floor Oakland, California 94607 skazan@kazanlaw.com	ARTRA Group, Inc. Attn: John Conroy One Tiffany Pointe Suite 112 Bloomingdale, IL 60108
United States Trustee U.S. Department of Justice 219 S. Dearborn Street, Room 873 Chicago, Illinois 60604	

{ARTRA\001\00013599.DOC\}

Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/3

ARTRA 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2010



Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/4

ARTRA 524(g) ASBESTOS TRUST

DECEMBER 31, 2010

CONTENTS

	Page
Independent Auditors' Report	1
Special-Purpose Financial Statements:	
Balance Sheet	2
Statement of Changes in Assets and Liabilities	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 8



Bederson & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

405 Northfield Avenue, West Orange, New Jersey 07052 • (973) 736-3333 • Fax: (973) 736-3367

INDEPENDENT AUDITORS' REPORT

To the Trustee of
ARTRA 524(g) Asbestos Trust

We have audited the special-purpose balance sheet of ARTRA 524(g) Asbestos Trust (the "Trust") as of December 31, 2010, and the related special-purpose statements of changes in assets and liabilities, and cash flows for the year then ended. These financial statements are the responsibility of the ARTRA 524(g) Asbestos Trust's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the accompanying financial statements were prepared on a special-purpose basis of accounting in order to communicate the amount of net assets presently available for current and future claimants and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and trust equity of the ARTRA 524(g) Asbestos Trust as of December 31, 2010, and the results of its operations and its cash flows for the year then ended in conformity with the special-purpose basis of accounting described in Note 2.

This report is intended solely for the information and use of the management of the Trust, the Trustees, the beneficiaries of the Trust, and the United States Bankruptcy Court for the Northern District of Illinois, and should not be used for any other purpose.

BEDERSON & COMPANY LLP

Bederson & Company LLP

West Orange, New Jersey
March 31, 2011

ARTRA Asbestos Trust Annual Reports, 2010 annual report
ACL Doc 13747 · Page 6 of 15
Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/6

ARTRA 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE BALANCE SHEET

DECEMBER 31, 2010

ASSETS

Cash - Northern Trust	$ 7,852,686
Receivables:	
Note Receivable - Entrade, Inc.	2,000,000
Due from COMFORCE Corporation	3,455,269
Total receivables	5,455,269
Investments:	
Northern Trust Investments	29,031,740
Interest receivable	235,130
Total investments	29,266,870
Other Assets:	
Prepaid assets	9,254
TOTAL ASSETS	$ 42,584,079

LIABILITIES AND TRUST EQUITY

LIABILITIES:	
Claims payable	$ 26,507,976
Accounts payable	27,926
Total liabilities	26,535,902
TRUST EQUITY:	
Trust corpus	16,048,177
TOTAL LIABILITIES AND TRUST EQUITY	$ 42,584,079

The accompanying notes are an integral part of these financial statements



Published by AsbestosClaims.Law

asbestosclaims.law/library/13747/7

ARTRA 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED DECEMBER 31, 2010

ADDITIONS:	
Contributions - Entrade, Inc.	$ 500,000
Investment income, net	
Interest income	1,475,539
Investment advisory fees	(71,044)
Realized gain on sale of investments	421,539
Unrealized gain on investments	1,456,391
Total investment income, net	3,282,425
TOTAL ADDITIONS	3,782,425
DEDUCTIONS:	
Claims settled	27,781,217
General and administrative:	
Claims processing	483,358
Claims consultant fees	33,795
Insurance	37,904
Accounting	29,214
Other	3,500
Professional services:	
Trust general counsel	154,481
Legal - other	10,749
Special insurance counsel	211,937
Futures claim representative	9,357
TAC expenses	1,406
Trustee	123,455
TOTAL DEDUCTIONS	28,880,373
NET DECREASE IN TRUST CORPUS	(25,097,948)
TRUST CORPUS - beginning	41,146,125
TRUST CORPUS - ending	$ 16,048,177

The accompanying notes are an integral part of these financial statements



ARTRA Asbestos Trust Annual Reports, 2010 annual report
ACL Doc 13747 · Page 8 of 15
Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/8

ARTRA 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net decrease in trust corpus	$ (25,097,948)
Adjustments to reconcile net decrease to net trust corpus from operating activities:	
Realized gains on sale of investments	(421,539)
Unrealized gains on investments	(1,456,391)
Increase in note receivable - Entrade, Inc.	(500,000)
Increase in Comforce receivable	(3,455,269)
Decrease in:	
Prepaid assets	1,189
Increase in:	
Claims payable	21,674,770
Accounts payable	959,887
NET CASH USED BY OPERATING ACTIVITIES	(8,295,301)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	26,060,972
Purchase of investments	(12,226,422)
Decrease in interest receivable on investments	308,924
NET CASH PROVIDED BY INVESTING ACTIVITIES	14,143,474
NET INCREASE IN CASH	5,848,173
CASH - beginning	2,004,513
CASH - ending	$ 7,852,686

The accompanying notes are an integral part of these financial statements

ARTRA Asbestos Trust Annual Reports, 2010 annual report
ACL Doc 13747 · Page 9 of 15
Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/9

NOTE 1 - ORGANIZATION

The ARTRA 524(g) Asbestos Trust (the "Trust") was established on April 2, 2007 and is a "qualified settlement fund" pursuant to Section 1.468B-1 et seq. of the Treasury Regulations promulgated under section 468B of the Internal Revenue Code. The Trust assumed all Asbestos Personal Injury Claims (as defined in the Amended Joint Reorganization Plan of ARTRA Group, Incorporated) whether now existing or arising at any time hereafter, and uses the Trust assets to pay holders of such Asbestos Personal Injury Claims in accordance with the Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Trust's financial statements are prepared using special-purpose accounting methods adopted by the Trustee which 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 net assets available for the payment of claims and related operating expenses of the Trust. Since the accompanying financial statements and transactions are not based upon GAAP, accounting treatment by other parties for these same transactions may differ as to timing and amount.

The special-purpose accounting methods include the following:

Trust Equity

Trust equity represents funds available to pay asbestos and bankruptcy related claims that have been submitted but not processed or not yet submitted. Trust expenses are also paid from trust equity. Under GAAP, trust equity would be reduced for estimates of amounts to be paid for claims that have been submitted, but not processed or not yet submitted.

Claim Expense

Claims are expensed in the period in which the confirmed claims are settled. Under GAAP, a liability would be recorded for an estimate of the amount to be paid for claims that have been incurred but not yet reported, and for those claims that have been submitted but not yet approved for payment by the Trust.

Payments for Services

Payments for services to be received over an extended period in the future are expensed as paid since these amounts are no longer available for the payment of claims. Under GAAP, an asset would be recorded and amortized over the period in which the related benefits are received.

ARTRA Asbestos Trust Annual Reports, 2010 annual report
Published by AsbestosClaims.Law
ACL Doc 13747 · Page 10 of 15
asbestosclaims.law/library/13747/10

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Equivalents
The Trust considers all short-term investments with a maturity of three (3) months, or less to be cash equivalents.

The Trust maintains its cash and cash equivalents, which at times may exceed federally insured limits, with financial institutions. The Trust has not experienced any losses in such accounts, and management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Investments
Investments are classified as available for sale and stated at fair value. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In accordance with FASB ASC 820-10-50, *Fair Value Measurements* establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. Government and agency mortgage-backed debt securities, corporate-debt securities and alternative investments.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity instruments and alternative investments.



ARTRA Asbestos Trust Annual Reports, 2010 annual report
Published by AsbestosClaims.Law
ACL Doc 13747 · Page 11 of 15
asbestosclaims.law/library/13747/11

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)
Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. In addition, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

Income Taxes
The Trust has elected to be treated as a Qualified Settlement Fund under the Internal Revenue Code and Regulations. As a result, the Trust is subject to federal income taxes based on modified gross income. 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. There was no federal income tax expense for the year ended December 31, 2010.

Since the Trust was formed during 2007, no U.S. federal income tax returns are closed under statutes of limitations.

Net operating losses expiring in 2030, which approximate $2,542,000, are available to offset future taxable income generated by the Trust.

Estimates
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to Trust Corpus during the reporting period. Actual results could differ from those estimates.

Subsequent Events
The Trust has evaluated subsequent events through March 31, 2011, which is the date the financial statements were available to be issued.

NOTE 3 - NOTE RECEIVABLE - ENTRADE, INC.

Under a promissory note dated April 9, 2007, Entrade, Inc. is indebted to the Trust in the amount of $2,500,000, due without interest, on April 9, 2012.

Under the terms of the promissory note, Entrade, Inc. has the right to prepay the obligation and is entitled to a discount of $500,000 if paid in full by April 9, 2011.

In addition, either party has the right to convert $500,000 of principal under the note into 200,000 shares of Entrade, Inc. common stock. The debtor may only elect conversion if specified share price and trading volume thresholds are met.



ARTRA Asbestos Trust Annual Reports, 2010 annual report
Published by AsbestosClaims.Law
ACL Doc 13747 · Page 12 of 15
asbestosclaims.law/library/13747/12

NOTE 4 - DUE FROM COMFORCE CORPORATION

In December 2010, COMFORCE Corporation ("COMFORCE") approved a merger agreement with affiliates of Abry Partners, LLC. Under the merger agreement, stockholders of COMFORCE received $2.50 for each common share held. At the time, the Trust held 1,463,000 common shares of COMFORCE.

Subsequent to the merger, it was found that 143,400 shares of COMFORCE were sold prior to the merger for $156,269 or approximately $1.09 per share.

The balance due represents the proceeds from the sale of the 143,400 shares ($156,269) plus the value of the remaining 1,319,600 shares at $2.50 per share ($3,299,000).

NOTE 5 - INVESTMENTS

Northern Trust Investments
Investments consist of the following at December 31, 2010:

Mutual funds	$ 8,270,661
Municipal bonds	20,996,209
	29,266,870
Less: Interest receivable	235,130
	$29,031,740

Future maturities of investments as of December 31, 2010 were as follows:

Within 1 year	$ 5,272,501
1 to 4.99 years	14,846,296
5 to 9.99 years	877,412
	20,996,209
Investments with no stated maturity	8,270,661
	$29,266,870

Fair value of these investments is determined based on quoted prices for similar assets or liabilities (Level 2).

Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/13

ARTRA Asbestos Trust Annual Reports, 2010 annual report
ACL Doc 13747 · Page 14 of 15

ARTRA 524(g) Asbestos Trust

Report of Asbestos Claim Activity and Disposition during Period from January 1, 2010 through December 31, 2010

Type of Claim	Number of Claims Filed	Number of Claims Approved for Payment	Number of Claims Withdrawn or Rejected	Liquidated Value of Approved Claims	Number of Approved Claims Paid	Amount Paid on Approved Claims after Application of Payment Percentage
Pre-Petition Liquidated Claims	575	556	19	$22,677,788 [1]	556	$1,700,834
Category A Claims (Disease Levels III – VI)	11,727	1,231	426	$261,789,680	152	$3,724,950
Category B Claims (Disease Levels I and II)	33,417	2,778	1,266	$8,030,750	3,023	$679,763
Unspecified Disease Level Claims	435	0	193	$0	0	$0

[1] Per Section 5.2(a) of the First Amended Trust Distribution Procedures, the Liquidated Value of any Pre-Petition Liquidated Claim is capped at the Average Value for similar claims in Disease Level III through VI, or the Scheduled Value for Disease Level II for any non-malignant claim failing to meet the criteria for Severe Asbestosis (Disease Level III). The original settlement value of the approved claims was $22,677,788.

Published by AsbestosClaims.Law
asbestosclaims.law/library/13747/14

ARTRA 524(g) Asbestos Trust

Report of Compensation and Expense Reimbursement
(January 1 through December 31, 2010)

	Compensation	Expense Reimbursement
Hon. Alfred M. Wolin (Trustee)	$121,440	$2,015
Erwin I. Katz (Futures Representative)	$7,800	$1,557

{ARTRA/002/00026129.DOC/ }