IN THE UNITED STATES BANKRUPTCY COURT
OF THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re:	§	**Case No. 05-21207**
	§	
ASARCO LLC, *et al.*,	§	**Chapter 11**
	§	
Debtors	§	**Jointly Administered**
	§	

ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE ASARCO ASBESTOS PERSONAL INJURY SETTLEMENT TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2011

Hon. Alfred M. Wolin, Ret., David F. Levi, and Charles A. Koppelman (collectively, the "Trustees"), as Trustees of the ASARCO Asbestos Personal Injury Settlement Trust (the "Asbestos Trust"), respectfully file this Annual Report, Financial Statements and Results of Operations for Fiscal Year Ended December 31, 2011 (the "Report"), pursuant to Asarco Incorporated and Americas Mining Corporation's Seventh Amended Plan of Reorganization for the Debtors Under Chapter 11 of the United States Bankruptcy Code, as Modified on August 20, 2009, August 23, 2009, and August 27, 2009 (the "Parent Plan") and the ASARCO Asbestos Personal Injury Settlement Trust Agreement (the "Trust Agreement").

I. General

On August 9, 2005, ASARCO LLC ("ASARCO") filed a petition for relief under Chapter 11 of the United States Bankruptcy Code. Various affiliates of ASARCO (together with ASARCO, the "Debtors") filed bankruptcy petitions both before and after ASARCO's bankruptcy filing. The Debtors' respective bankruptcy cases are jointly administered under Case No. 05-21207. On September 11, 2009, the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") entered its amended recommendation in favor of confirmation of the Parent Plan. On November 13, 2009, the United States District Court for the

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Southern District of Texas (the "District Court") adopted the Bankruptcy Court's recommendation and entered its Memorandum Opinion, Order of Confirmation, and Injunction, confirming the Parent Plan (as modified on November 16, 2009 and December 3, 2009, the "Confirmation Order"). *See* Dkt. No. 79, 80 and 96 in Case No. 2:09-CV-00177.

To address the substantial asbestos-related liabilities of the Debtors, the Parent Plan established the Asbestos Trust in accordance with the Trust Agreement. On December 9, 2009, the Effective Date[1] of the Parent Plan, the Asbestos Trust was created and funded with over $900 million in assets, including more than $650 million in cash plus a $280 million secured note from Reorganized ASARCO (the "ASARCO Note"). In addition, the Asbestos Trust received $27.5 million to fund the operating expenses of the Asbestos Trust. *See* Parent Plan, section 6.7. The Confirmation Order appointed Hon. Alfred M. Wolin, Ret., David F. Levi, and Ellen S. Pryor as Trustees of the Asbestos Trust. Ms. Pryor resigned as of March 9, 2010, and Charles A. Koppelman was appointed as her successor on March 10, 2010. *See* Notice of Appointment of Trustee of the ASARCO Asbestos Personal Injury Settlement Trust, filed on March 11, 2010 [Docket No. 14139].

Under the Trust Agreement, the Trust Advisory Committee ("TAC") represents the holders of present Asbestos Personal Injury Claims, and the Future Claims Representative ("FCR") represents the holders of future Asbestos Personal Injury Claims. *See* Trust Agreement, sections 5.2 and 6.1. Pursuant to the Confirmation Order, Steven Kazan, Steven T. Baron, Robert Phillips, Alan R. Brayton, and Bryan O. Blevins are the members of the TAC, and the Hon. Robert C. Pate is the FCR.

[1] Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Parent Plan.

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The Trust Agreement, at Section 2.2(g), requires that the Asbestos Trust meet with the TAC and FCR no less often than quarterly. The Asbestos Trust held quarterly meetings with the TAC and the FCR on March 1, 2011, May 17, 2011, September 13, 2011, and November 15, 2011.

The Trustees held weekly Trustees' meetings in 2011 by telephone, beginning on January 4, 2011.

Hon. Alfred M. Wolin, Ret., is the Managing Trustee of the Trust.

In 2011, the Asbestos Trust kept its principal office at 1105 North Market Street, Suite 1300, Wilmington, DE 19801, and its administrative office at c/o Saiber, LLC, Attention: Hon. Alfred M. Wolin, Ret., Managing Trustee, 18 Columbia Turnpike, Suite 200, Florham Park, NJ 07932-2266.

The Asbestos Trust continued its retention of the following: Stutzman, Bromberg, Esserman & Plifka, A Professional Corporation (general counsel); Bederson & Company, LLP (auditor and tax advisor); AON Risk Services Central, Inc. (insurance agent); Legal Analysis Systems (consultant regarding asbestos personal injury claims); Verus Claims Services, LLC (claims processor); U.S. Trust/Bank of America Private Wealth Management (financial consultant, money manager, and banking services); Citi Private Bank (banking, brokerage, custody and investment management services); and Anderson Kill & Olick, LLP (insurance coverage counsel). The Trust retained local counsel and other consultants, as needed.

The TAC retained Caplin & Drysdale as its counsel. The FCR retained Strasburger Price Oppenheimer Blend as his counsel.

The Asbestos Trust's general counsel, Stutzman, Bromberg, Esserman & Plifka, serves as the custodian of Trust records.

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The Asbestos Trust obtained liability insurance for the Trustees, the members of the TAC and the FCR.

In 2011, the Asbestos Trust (i) invested and managed its assets; (ii) continued negotiations with the insurance companies that had issued pre-petition asbestos insurance policies to ASARCO, and finalized the settlement agreement with Fireman's Fund Insurance Company; (iii) processed and paid Pre-Petition Liquidated Asbestos Personal Injury Claims (as defined in the ASARCO Asbestos Personal Injury Settlement Trust Distribution Procedures ("TDP")), and began accepting and paying such claims; (iv) conducted an in-depth investigation, analysis and document review project into ASARCO's, LAQ's, and CAPCO's asbestos sales records; (v) examined historical ASARCO asbestos records; (vi) managed the Asbestos Trust's website, www.asarcotrust.com; (vii) accepted Asbestos Personal Injury Claims based on CAPCO Exposure, LAQ Exposure and/or both, as defined in the TDP; (viii) began processing CAPCO claims; and (ix) worked with the TAC and FCR in developing claims materials for processing LAQ claims.

II. Asbestos Personal Injury Claims

The Asbestos Trust came into existence on December 9, 2009. In 2011, the Trustees accepted and processed 359 Pre-Petition Liquidated Asbestos Personal Injury Claims, ultimately paying, after application of the Payment Percentage, $1,276,691 on account of such Pre-Petition Liquidated Asbestos Personal Injury Claims.

In addition, in 2011 the Asbestos Trust, through its claims processing facility—Verus Claims Services, LLC—continued accepting unliquidated Asbestos Personal Injury Claims but, with the consent of the TAC and the FCR, deferred the processing and payment of such claims until the Asbestos Trust completes its development of guidelines and standards for liquidating

claims based on CAPCO Exposure and LAQ Exposure. To accomplish this task, the Asbestos Trust, with the TAC and FCR, has embarked on an extensive examination and analysis of the sales of LAQ asbestos fiber and the use of LAQ asbestos fiber in end products. Through December 31, 2011, 116,784 unliquidated Asbestos Personal Injury Claims were filed with the Asbestos Trust, as follows:

Disease Level	Claims
Other Asbestos Disease (Level I)	8,831
Nonmalignant Asbestos Disease (Level II)	45,950
Nonmalignant Asbestos Disease (Level III)	32,557
Severe Asbestosis (Level IV)	1,057
Other Cancer (Level V)	4,385
Lung Cancer 2 (Level VI)	3,106
Lung Cancer 1 (Level VII)	12,867
Mesothelioma (Level VIII)	7,028
Unknown	1,003
Grand Total:	**116,784**

The forecast of the future liability of the Asbestos Trust for Asbestos Personal Injury Claims made by Legal Analysis Systems in 2010 of approximately $3.716 billion, in 2011 dollars using a 4% discount rate, has not changed. During 2011, the value of the Trust corpus increased by $33,549,968, from $958,960,956 as of January 1, 2011, to $992,510,924 as of December 31, 2011. As of December 31, 2011, the Asbestos Trust did not make any payments on account of unliquidated Asbestos Personal Injury Claims. The Asbestos Trust projects the adoption of guidelines for processing claims based on LAQ Exposure in the Spring of 2012, with liquidation of CAPCO and LAQ claims to proceed thereafter.

The Asbestos Trust paid $8,919,193 on account of Section 524(g) Trust Expenses in 2011, as follows:

$1,215,802 for Asbestos Personal Injury Claims processing fees

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$66,641 for Asbestos Personal Injury Claims consulting and forecasting fees

$145,328 for insurance

$45,224 for accounting services

$5,684 in other expenses (which includes $4,500 paid to the Delaware Trustee, as set forth in Section III below)

$1,917,776 in professional fees (legal, consultants, actuarial, and other professionals)

$5,522,738 in federal income tax

III. Compensation and Expenses of Trustees, TAC, and FCR

Under Section 4.5(c) of the Trust Agreement, the Asbestos Trust reports to the Bankruptcy Court the amount of compensation and expenses paid to the Trustees. The Trustees have received compensation and reimbursement for out-of-pocket expenses during the fiscal year ending December 31, 2011, as follows:

Trustees (3)	$755,972
Delaware Trustee	$4,500

Under Section 5.6 of the Trust Agreement, the Asbestos Trust reports to the Bankruptcy Court the amount of compensation and expenses paid to the TAC members. The TAC has received compensation and reimbursement for out-of-pocket expenses during the fiscal year ending December 31, 2011, as follows:

TAC	$1,166

Under Section 6.5 of the Trust Agreement, the Asbestos Trust reports to the Bankruptcy Court the amount of compensation and expenses paid to the FCR. The FCR has received compensation and reimbursement for out-of-pocket expenses during the fiscal year ending December 31, 2011, as follows:

FCR	$82,774

IV. Financial Statements

A copy of the Asbestos Trust's audited financial statements for the year ending December 31, 2011 including a balance sheet as of December 31, 2011, and a statement of operations for 2011, is attached hereto as Exhibit A. Exhibit A also includes Bederson & Company LLP's opinion as to the fairness of the financial statements' presentation of the cash and investments available for the payment of claims and as to the conformity of the financial statements with special purpose accounting methods.

The Asbestos Trust provided copies to the TAC and FCR on April 23, 2012.

V. Certification

The Trustees certify that they have performed pursuant to and in compliance with the Parent Plan, the Trust Agreement, the TDP, the Confirmation Order, and such other Parent Plan documents and Bankruptcy Court orders pertaining to the operation of the Asbestos Trust during the fiscal year ended December 31, 2011.

This Certification may be signed in any number of counterparts, each of which shall constitute an original, but such counterparts shall together constitute one and the same Certification.

TRUSTEES:

/s/ Alfred M. Wolin
HON. ALFRED M. WOLIN, RET.

/s/ David F. Levi
DAVID F. LEVI

/s/ Charles A. Koppelman
CHARLES A. KOPPELMAN

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Respectfully submitted this 27th day of April 2012,

STUTZMAN, BROMBERG,
ESSERMAN & PLIFKA,

A PROFESSIONAL CORPORATION

By: */s/ Jacob L. Newton*
Sander L. Esserman
State Bar No. 06671500
Steven A. Felsenthal
State Bar No. 06889900
Jacob L. Newton
State Bar No. 24046523

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ATTORNEYS FOR THE ASARCO ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 27th day of April 2012 the foregoing ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE ASARCO ASBESTOS PERSONAL INJURY SETTLEMENT TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2011 was served via ECF on all those parties receiving such notice through the Court's CM/ECF system.

/s/ Heather J. Panko
Heather J. Panko

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EXHIBIT A

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ASARCO ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2011



ASARCO ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

DECEMBER 31, 2011

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BEDERSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

405 Northfield Avenue, West Orange, New Jersey 07052 • 973.736.3333 • Fax: 973.736.3367

INDEPENDENT AUDITORS' REPORT

To the Trustee of
Asarco Asbestos Personal Injury Settlement Trust

We have audited the special-purpose balance sheet of Asarco Asbestos Personal Injury Settlement Trust (the "Trust") as of December 31, 2011, and the related special-purpose statements of changes in net claimants' equity and cash flows for the year then ended. These financial statements are the responsibility of the Asarco Asbestos Personal Injury Settlement 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 net claimants' equity of the Asarco Asbestos Personal Injury Settlement Trust as of December 31, 2011, 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 Southern District of Texas, and should not be used for any other purpose.

BEDERSON & COMPANY LLP

Bederson Company LLP

West Orange, New Jersey
April 17, 2012

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ASARCO ASBESTOS

PERSONAL INJURY SETTLEMENT TRUST

SPECIAL-PURPOSE BALANCE SHEET

DECEMBER 31, 2011

ASSETS

Cash and Cash Equivalents:	
CitiBank	$ 38,852,811
U.S. Trust	18,825,629
Total cash and cash equivalents	57,678,440
Investments:	
CitiBank	
Investments	448,855,653
Income receivable	3,745,054
U.S. Trust	
Investments	477,339,655
Income receivable	4,069,122
Total investments	934,009,484
Other Assets:	
Prepaid federal income taxes	823,000
TOTAL ASSETS	$ 992,510,924

LIABILITIES AND NET CLAIMANTS' EQUITY

LIABILITIES:	
Settled claims payable	$ 286,440
Accounts payable	254,539
TOTAL LIABILITIES	540,979
NET CLAIMANTS' EQUITY	991,969,945
TOTAL LIABILITIES AND NET CLAIMANTS' EQUITY	$ 992,510,924

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

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ASARCO ASBESTOS

PERSONAL INJURY SETTLEMENT TRUST

SPECIAL-PURPOSE STATEMENT OF CHANGES IN NET CLAIMANTS' EQUITY

YEAR ENDED DECEMBER 31, 2011

ADDITIONS:	
Contributions:	
Insurance settlements	$ 452,787
Investment income, net	
Interest and dividends income	24,869,227
Investment advisory fees	(2,895,413)
Realized gain on sale of securities, net	5,988,424
Loss from hedge fund investments, net	(2,010,841)
Unrealized gain on investments, net	17,640,601
Total investment income, net	43,591,998
TOTAL ADDITIONS	44,044,785
DEDUCTIONS:	
Claims settled	1,276,691
General and administrative:	
Trustee	755,972
Claims processing fees	1,215,802
Claims consulting and forecasting fees	66,641
Insurance	145,328
Accounting	45,224
Other	5,684
Professional services:	
Trust professional fees	
Trust general counsel	1,280,675
Trust insurance, special and local counsel	422,061
Trust consultant fees	7,105
Future claims representative fees	82,774
Future claims representative's professional fees and expenses	122,482
TAC attorney fees and expenses	86,619
Federal income tax	5,522,738
TOTAL DEDUCTIONS	11,035,796
NET INCREASE IN NET CLAIMANTS' EQUITY	33,008,989
NET CLAIMANTS' EQUITY - beginning	958,960,956
NET CLAIMANTS' EQUITY - ending	$ 991,969,945

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

ASARCO ASBESTOS

PERSONAL INJURY SETTLEMENT TRUST

SPECIAL-PURPOSE STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net increase in net claimants' equity	$ 33,008,989
Adjustments to reconcile net increase in net claimants' equity from operating activities:	
Realized gain on sale of securities, net	(5,988,424)
Loss from hedge fund investments, net	2,010,841
Unrealized gain on investments, net	(17,640,601)
Decrease (increase) in:	
Prepaid federal income taxes	(823,000)
Prepaid assets	145,328
Increase (decrease) in:	
Settled claims payable	286,440
Accounts payable	82,535
Federal income taxes payable	(2,215,712)
NET CASH PROVIDED BY OPERATING ACTIVITIES	8,866,396
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	289,722,085
Purchases of investments	(315,553,611)
Increase in interest receivable on investments	(321,091)
NET CASH USED BY INVESTING ACTIVITIES	(26,152,617)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(17,286,221)
CASH AND CASH EQUIVALENTS - beginning	74,964,661
CASH AND CASH EQUIVALENTS - ending	$ 57,678,440
SUPPLEMENTAL DISCLOSURES OF FLOW INFORMATION:	
Cash paid during the year for:	
Income taxes	$ 8,561,450

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



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ASARCO ASBESTOS PERSONAL INJURY
SETTLEMENT TRUST
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 - ORGANIZATION

The Asarco Asbestos Personal Injury Settlement Trust (the "Trust") was established on December 9, 2009 and is a "qualified settlement fund" pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under section 468B of the Internal Revenue Code. The Trust of Asarco, Inc. and its subsidiaries will assume all Asbestos Personal Injury Claims (whether now existing or arising at any time hereafter) and to use the Trust assets to pay holders of such Asbestos Personal Injury Claims in accordance with the Asbestos Settlement Trust Agreement and the Asbestos Settlement Trust Distribution.

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 Trustees which differ from accounting principles generally accepted in the United States of America (GAAP). 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:

Net Claimants' Equity

Net claimants' 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 net claimants' equity. Under GAAP, net claimants' 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.

Settled Claims Payable on the Special-Purpose Balance Sheet reflect claims approved but unpaid at December 31 of each year.

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.

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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.



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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. However, federal income tax expense for the year ended December 31, 2011 was $5,522,738.

The Trust files income tax returns in the United States federal jurisdiction. Since the Trust was formed during 2009, no U.S. federal income tax returns are closed under statute of limitations.

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 Net Claimants' Equity during the reporting period. Actual results could differ from those estimates.

Subsequent Events
The Trust has evaluated subsequent events through April 17, 2012, which is the date the financial statements were available to be issued.

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ASARCO ASBESTOS PERSONAL INJURY
SETTLEMENT TRUST
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 3 - INVESTMENTS

Investments consist of the following at December 31, 2011:

U.S. Treasury obligations (Level 1)	$ 23,573,164
Common stock and other equities (Level 1)	142,798,566
Corporate debentures (Level 2)	74,101,250
Municipal bonds (Level 2)	539,385,533
Federal agency obligations (Level 2)	86,762,558
International developed bonds (Level 2)	11,552,599
Public real estate investment trusts (Level 1)	3,314,401
Hedge funds (Level 3)	47,660,013
Commodities (Level 2)	4,861,400
	$ 934,009,484

Future maturities of investments as of December 31, 2011, were as follows:

Within 1 year	$ 35,325,583
1 to 4.99 years	284,252,408
5 to 9.99 years	226,474,041
10 to 14.99 years	71,901,019
15 to 19.99 years	25,048,413
Thereafter	92,373,640
	735,375,104
Investments with no stated maturity	198,634,380
	$ 934,009,484

The table below sets forth a summary of changes in the fair value of the Trust's Level 3 assets (hedge funds) for the year ended December 31, 2011:

Beginning balance	$25,070,854
Purchases	24,600,000
Unrealized losses	(2,010,841)
Ending balance	$47,660,013

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ASARCO ASBESTOS PERSONAL INJURY

SETTLEMENT TRUST

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2011

NOTE 4 - RISKS AND UNCERTAINTIES

The Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to these risks, it is possible that changes in the values of the investment securities will occur in the near term, and that such changes could have a material effect on the fair market value of the investment amounts as stated on the special-purpose balance sheet.

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