IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	**Chapter 11**
	)	
Combustion Engineering, Inc.,	)	**Case No. 03-10495 (CSS)**
	)	
Reorganized Debtor.	)	

NOTICE OF FILING OF ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2021

(For the Period January 1, 2021 to December 31, 2021)

PLEASE TAKE NOTICE that, on April 27, 2022, the Trustees of the Combustion Engineering 524(g) Asbestos PI Trust (the "Trust") filed the Annual Report, Financial Statements and Results of Operations of the Trust for Fiscal Year Ended December 31, 2021 (the "Annual Report") and its audited financial statements for the same period (the "Audited Financial Statements"). The Annual Report and the Audited Financial Statements are attached hereto as Exhibits "A" and "A-1," respectively.

Dated: April 27, 2022

Respectfully submitted,

STUTZMAN, BROMBERG, ESSERMAN & PLIFKA, A Professional Corporation

By: */s/ Sander L. Esserman*
Sander L. Esserman (Texas Bar No. 06671500)
Steven A. Felsenthal (Texas Bar No. 06889900)
2323 Bryan Street, Suite 2200
Dallas, Texas 85201-2689
Telephone: (214) 969-4900
Facsimile: (214) 969-4999
esserman@sbep-law.com
felsenthal@sbep-law.com

ATTORNEYS FOR THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	**Chapter 11**
	)	
Combustion Engineering, Inc.,	)	**Case No. 03-10495 (CSS)**
	)	
Reorganized Debtor.	)	

ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2021

Ellen S. Pryor, James J. Faught, and the Honorable Ken Kawaichi, Ret., Trustees of the Combustion Engineering 524(g) Asbestos PI Trust (the "Trust"), created pursuant to Combustion Engineering, Inc.'s Plan of Reorganization, as Modified through October 7, 2005 (the "Plan"), submit this Annual Report, Financial Statements and Results of Operations of the Combustion Engineering 524(g) Asbestos PI Trust for Fiscal Year Ended December 31, 2021.

I. General

Combustion Engineering, Inc. ("Combustion Engineering") filed a voluntary petition for relief under Chapter 11, title 11 of the United States Code (the "Bankruptcy Code") on February 17, 2003. The United States Bankruptcy Court for the District of Delaware entered the Order Confirming (and Recommending Affirmance by the U.S. District Court) Debtor's Plan of Reorganization as Modified Through October 7, 2005 and Setting Bar Dates to File Certain Claims in Paragraphs 50, 51, 52, 53 and 73 on December 19, 2005 (the "Confirmation Order"). On March 1, 2006, the United States District Court for the District of Delaware entered its order affirming the Confirmation Order and Issuing Injunctions. The Effective Date of the Plan occurred on April 21, 2006. Pursuant to the Plan, Steven Kazan, Russell W. Budd, Brent Coon,

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John D. Cooney and Matthew P. Bergman are the members of the Trust Advisory Committee ("TAC"). Roger Frankel is the Future Claimants' Representative ("FCR").

The Combustion Engineering 524(g) Asbestos PI Trust Agreement ("Trust Agreement") and the Combustion Engineering 524(g) Asbestos PI Trust Bylaws (the "Bylaws") require the Trustees to meet with the TAC and the FCR at regular or special meetings. In 2021, the Trust held regular meetings on February 23, 2021, May 25, 2021, September 21, 2021, and November 16, 2021.

The Trustees generally held weekly Trustees' meetings throughout the year, usually by telephone.

Effective January 1, 2021, the Trustees named Ellen S. Pryor as the Managing Trustee for a one-year term.

In 2021, the principal office of the Trust was located at 1105 North Market Street, Suite 1300, P.O. Box 8985, Wilmington, Delaware 19899. In 2021, the Trust's administrative office was located at P.O. Box 307, 27400 Northwestern Highway, Southfield, Michigan 48037 from January 1 through May 14, 2021. Effective May 15, 2021, the Trust's administrative office was relocated to 3000 Town Center, Suite 100, Southfield, Michigan 48075.

In 2021, the Trust entered and/or continued service agreements with: Stutzman, Bromberg, Esserman & Plifka, a Professional Corporation (general counsel); Plante Moran, PLLC (accountant, administrator and tax advisor); Verus Claims Services LLC (claims processing facility and claims administrator); Gilbert LLP (insurance counsel); BDO USA, LLP (auditor); Wilshire Associates (financial consultant); Northern Trust Company (custodian); Alliance Bernstein LP (money manager); Northern Trust Investments, N.A. (money manager); State Street Global Advisors (money manager); Aegon USA Investment Management LLC

(money manager); Richmond Capital Management, Inc. (money manager); Legal Analysis Systems (claims forecasting); and AON Risk Services Central, Inc. (insurance agent). The Trust retained local counsel as needed.

The Trust maintained liability insurance for the Trustees, the members of the TAC and the FCR. In addition, the Trust obtained cyber security protection insurance.

II. Asbestos PI Claims

The Combustion Engineering 524(g) Asbestos PI Trust Second Amended and Restated Asbestos PI Trust Distribution Procedures (the "TDP"), the Combustion Engineering 524(g) Asbestos PI Trust Second Revised and Restated Procedures for Reviewing and Liquidating TDP Claims, the Combustion Engineering 524(g) Asbestos PI Trust Claim Form, and other claims-related forms and instructions are available at www.cetrust.org.

Article 3.2(c)(iv) of the Trust Agreement requires the Trustees to prepare a report containing a summary regarding the number and types of claims (and the amount paid in respect of such claims) disposed of during the period covered by the financial statements.

A. Claims Payments for the Fiscal Year Ended December 31, 2021

Under the TDP, Claims Payment Ratios are 87% for Category A Claims (malignancy claims and severe asbestosis) and 13% for Category B Claims (other non-malignancy claims). TDP, Sec. 2.5.

In 2021, the Trust paid 3,521 Category A Claims totaling $26,241,421.

In 2021, the Trust paid 7,045 Category B Claims totaling $3,842,077.[1]

B. Claims Statistics for the Fiscal Year Ended December 31, 2021

From inception of the Trust through the period ending December 31, 2021, the Trust has received a total of 509,368 claims. As of December 31, 2021, the Trust has paid a total of

[1] Amount paid for Category B Claims in 2021 is net of refunds.

219,203 claims. The Trust received 16,052 claims in 2021. In 2021, the Trust liquidated and paid 10,566 claims. Below is further detail with respect to the claims received and paid by the Trust in 2021.

Total claims received in 2021:

Total Category A Claims received in 2021 =		6,391
Category A Claims submitted for Expedited Review	3,933	
Category A Claims submitted for Individual Review	2,458	
Total Category B Claims received in 2021 =		9,661
Category B Claims submitted for Expedited Review	8,976	
Category B Claims submitted for Individual Review	685	
Total claims received in 2021 =		**16,052**

Total claims paid in 2021:

Total Category A Claims paid in 2021 =		3,521
Category A Claims paid pursuant to Expedited Review	2,467	
Category A Claims paid pursuant to Individual Review	1,054	
Total Category B Claims paid in 2021 =		7,045
Category B Claims paid pursuant to Expedited Review	6,631	
Category B Claims paid pursuant to Individual Review	414	
Total claims paid in 2021 =		**10,566**

Since inception of the Trust, the Trust has not approved 273,352 claims, consisting of rejected claims, claims with uncured deficiencies, and withdrawn and deferred claims.

III. Compensation and Expenses of Trustees

Under Section 5.5(c) of the Trust Agreement, the Trust reports to the Court the amount of compensation and expenses paid to the Trustees. Please reference the Supplementary Information to the audited special-purpose financial statements, attached hereto, for this information. The Trust pays the Delaware Trustee a fee of $2,500.

IV. Plan Reserve Blocked Account

Under the Excess Funds Agreement entered as of April 20, 2006, by and among the Trust, Combustion Engineering, Inc., ABB Inc. and ABB Holdings Inc., a Plan Reserve Blocked Account was established and funded to pay certain administrative expenses of the Combustion Engineering Chapter 11 case and certain unsecured creditor claims filed against the Combustion Engineering bankruptcy estate, all if and as allowed under the Plan. To the extent that funds remain in the Plan Reserve Blocked Account after the payment of the allowed administrative expenses and unsecured claims, the funds become the property of the Trust pursuant to the Plan.

By agreement with Combustion Engineering, Inc. entered on November 6, 2006, one half of certain legal fees incurred and accrued by Combustion Engineering, Inc. after April 21, 2006 were paid from the Plan Reserve Blocked Account. There are no further obligations under the fee sharing agreement.

In 2021, Combustion Engineering resolved the final remaining claim in the Combustion Engineering Chapter 11 case. As of December 31, 2021, all of the remaining claims filed against the Combustion Engineering bankruptcy estate have been resolved and paid.

Pursuant to the Excess Funds Agreement, Combustion Engineering, Inc. reported to the Trust on March 25, 2022, that the balance of the Plan Reserve Blocked Account was $9.1

million. As all of the claims against the Combustion Engineering bankruptcy estate have now been resolved and paid, in accordance with the Plan and the Excess Funds Agreement, Combustion Engineering will pay to the Trust the remaining balance of the Plan Reserve Blocked Account.

V. Financial Statements

A copy of the Trust's Audited Special-Purpose Financial Statements with Supplementary Information Years Ended December 31, 2021 and 2020, is attached hereto as Exhibit "A-1."

Dated: April 27, 2022

STUTZMAN, BROMBERG, ESSERMAN & PLIFKA, A Professional Corporation

By: */s/ Sander L. Esserman*

Sander L. Esserman (Texas Bar No. 06671500)
Steven A. Felsenthal (Texas Bar No. 06889900)
2323 Bryan Street, Suite 2200
Dallas, Texas 85201-2689
Telephone: (214) 969-4900
Facsimile: (214) 969-4999
esserman@sbep-law.com
felsenthal@sbep-law.com

ATTORNEYS FOR THE COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST

EXHIBIT A-1

Combustion Engineering 524(g) Asbestos PI Trust

Audited Special-Purpose Financial Statements with Supplementary Information

Years Ended December 31, 2021 and 2020

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

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Combustion Engineering 524(g) Asbestos PI Trust

Audited Special-Purpose Financial Statements
with Supplementary Information
Years Ended December 31, 2021 and 2020

Combustion Engineering 524(g) Asbestos PI Trust

Contents

Independent Auditor's Report 1-3

Special-Purpose Financial Statements

Special-Purpose Statements of Assets, Liabilities and Net Claimants' Equity 4

Special-Purpose Statements of Changes in Net Claimants' Equity 5

Special-Purpose Statements of Cash Flows 6

Notes to the Special-Purpose Financial Statements 7-14

Supplementary Information

Independent Auditor's Report on Supplementary Information 15

Schedules of Investment Income 16

Schedules of Operating Expenses, Income Taxes and Direct Investment Expenses 17

Tel: 703-893-0600
Fax: 703-893-2766
www.bdo.com

8401 Greensboro Drive
Suite 800
McLean, VA 22102

Independent Auditor's Report

Trustees
Combustion Engineering 524(g) Asbestos PI Trust
Southfield, Michigan

Opinion

We have audited the special-purpose financial statements of Combustion Engineering 524(g) Asbestos PI Trust (the Trust) which comprise the special-purpose statements of assets, liabilities and net claimants' equity as of December 31, 2021 and 2020, and the related special-purpose statements of changes in net claimants' equity and the special-purpose statements of cash flows for the years then ended, and the related notes to the special-purpose financial statements.

In our opinion, the accompanying special-purpose financial statements present fairly, in all material respects, the net assets of the Trust as of December 31, 2021 and 2020, and the changes in net claimants' equity and its cash flows for the years then ended, in accordance with the basis of accounting described in Note 2 to the special-purpose financial statements.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements* section of our report. We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the special-purpose financial statements which describes the basis of accounting. As described in Note 2, the accompanying special-purpose financial statements were prepared in order to account for the amount of net assets presently available to fund current and future claims, which is a basis of accounting other than accounting principles generally accepted in the United States of America. As a result, the special-purpose financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of the special-purpose financial statements in accordance with the basis of accounting as described in Note 2 to the special-purpose financial statements. Management is also responsible for the design,

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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.

In preparing the special-purpose financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern within one year after the date that the special-purpose financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special-purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the special-purpose financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the special-purpose financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the special-purpose financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Restriction of Use

Our report is intended solely for the information and use of the Trust and is not intended to be and should not be used by anyone other than the specified party.

BDO USA, LLP

McLean, Virginia
April 26, 2022

Special-Purpose Financial Statements

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Statements of Assets, Liabilities and Net Claimants' Equity

December 31,	**2021**	2020
Assets		
Cash and cash equivalents	**$ 19,057,506**	$ 27,290,774
Investment securities	**505,679,782**	514,316,719
Accrued interest and dividends receivable	**3,894,236**	4,076,579
Unsettled securities receivable	**1,411,255**	806,119
Other assets	**111,381**	127,049
Total assets	**530,154,160**	546,617,240
Liabilities		
Accrued claims, accrued expenses and accounts payable	**533,302**	1,623,593
Unsettled securities payable	**1,643,108**	8,285,527
Income tax payable	**500,000**	120,261
Total liabilities	**2,676,410**	10,029,381
Net claimants' equity	**$ 527,477,750**	$ 536,587,859

See accompanying notes to the special-purpose financial statements.

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Statements of Changes in Net Claimants' Equity

Years Ended December 31,	**2021**	2020
Additions		
Investment income	**$ 12,741,484**	$ 13,836,549
Net increase in unrealized gain on investment securities	**8,138,491**	15,819,666
Net realized gain on investment securities	**5,168,895**	2,403,619
Federal tax refund	**-**	606,769
Other additions	**496**	-
Total additions	**26,049,366**	32,666,603
Deductions		
Operating expenses and income taxes	**4,211,171**	4,964,474
Direct investment expenses	**871,853**	868,701
Other deductions	**-**	3,172
Total deductions	**5,083,024**	5,836,347
Net increase in net claimants' equity	**20,966,342**	26,830,256
Net claimants' equity - beginning of the year	**536,587,859**	559,685,962
Receipts from scheme payments and insurance	**-**	414,251
Distributions from net claimants' equity	**(30,083,498)**	(57,337,583)
Net change in provision for claimants' in queue	**7,047**	6,994,973
Net claimants' equity - end of the year	**$ 527,477,750**	$ 536,587,859

See accompanying notes to the special-purpose financial statements.

Combustion Engineering 524(g) Asbestos PI Trust

Special-Purpose Statements of Cash Flows

Years Ended December 31,	**2021**	2020
Cash received from:		
Sales and maturities of investments	**$ 183,688,275**	$ 251,662,243
Investment income	**15,403,259**	19,588,755
Proceeds from other refunds	**-**	414,251
Federal tax refund	**-**	606,769
Total cash inflows	**199,091,534**	272,272,018
Cash paid for:		
Purchase of investment securities	**172,481,530**	208,799,143
Distribution to claimants	**30,083,498**	57,337,583
Trust operating expenses	**2,931,847**	3,606,284
Investment expenses	**977,927**	911,627
Income taxes	**850,000**	1,850,000
Total cash outflows	**207,324,802**	272,504,637
Net decrease in cash and cash equivalents	**(8,233,268)**	(232,619)
Cash and cash equivalents at the beginning of year	**27,290,774**	27,523,393
Cash and cash equivalents at the end of year	**$ 19,057,506**	$ 27,290,774

See accompanying notes to the special-purpose financial statements.

1. Description of the Trust

The Combustion Engineering 524(g) Asbestos PI Trust (the Trust), organized pursuant to the laws of the State of Delaware, was established pursuant to Combustion Engineering, Inc.'s (CE) plan of reorganization, as modified through October 7, 2005 (the Plan) and became effective on April 20, 2006. The Trust was formed to assume all Asbestos PI Trust Claims (whether now existing or arising at any time hereafter) and to use the Trust assets to pay holders of claims in accordance with the Asbestos PI Trust Agreement. The Trust's funding is dedicated solely to the settlement of asbestos personal injury claims and the related costs thereto, as defined in the Plan. The Trust's principal office is in Wilmington, Delaware and its administrative office is located in Southfield, Michigan. Defined terms have the meanings assigned to them in the Plan.

The Trust was initially funded with ABB, Ltd. stock, ABB promissory note, a CE contribution agreement, a CE convertible secured note, and insurance settlement rights. The Trust has divested itself of all ABB, Ltd. holdings.

2. Significant Accounting Policies

Basis of Presentation

The Trust's special-purpose 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 claimants' equity and related operating expenses of the Trust. Since the accompanying special-purpose 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:

a. Insurance recoveries are recorded when the related policies are settled and collectability is assured from the insurance carriers. These recoveries come from various insurance settlements, which were obtained by CE and related entities and assigned to the Trust or were negotiated by the Trust. All known non-speculative insurance recoveries have been received.

b. Investment securities are recorded at fair market value. All interest and dividend income, net of investment expenses, are included in investment income in the accompanying special-purpose statements of changes in net claimants' equity. Realized and unrealized gains and losses on investment securities are recorded as additions or deductions in the special-purpose statements of changes in net claimants' equity.

c. Amortization and accretion of bond premiums or discounts is included in investment income.

d. Future fixed liabilities under contractual obligations and other agreements entered into by the Trust are recorded as deductions in the same period that such contractual obligations or agreements are signed. Under GAAP, liabilities and contractual obligations are recorded over the period that is benefited by the underlying contract or agreement.

e. The claim distributions are treated as a reduction to net claimants' equity in the period in which the settled claims are approved for payment. A settled claim is a claim that has been accepted by the claimant with an executed release submitted to the Trust and approved by the Trustees. An unpaid settled claim is a claim that cannot be paid due to annual cap limitations or has been authorized for payment by the Trustees but not yet paid. The liability for unpaid claims that is a result of annual cap limitations is recorded when settled. This liability is the product of the liquidated value of the unpaid claims times the Payment Percentage in effect at year-end. The actual amount paid to an unpaid claimant maybe more or less depending on the Payment Percentage in effect at the time of payment. 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.

f. Payments for services to be received over an extended period in the future are expensed as paid because 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.

g. Income tax expense is estimated and recorded as incurred in the period in which certain income and expense items affect current federal income taxes payable. Under GAAP, the provision for income taxes is recorded based upon income reported for special-purpose financial statement purposes, and federal income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities. Under GAAP, deferred taxes include a provision for taxes attributable to changes in unrealized gains and losses on investments.

Use of Estimates

The preparation of these special-purpose financial statements requires the Trust to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the special-purpose financial statements, as well as the reported changes in net claimants' equity during the reporting period. Actual results could differ from those estimates and such differences could have a material effect on net claimants' equity.

Cash Equivalents and Investment Securities

The Trust considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Investment securities are stated at fair market value with changes in unrealized gains and losses recorded in the current period. Investment income is recognized when earned. Any unearned interest and dividend income are recorded as accrued interest and dividends receivable. Realized gains and losses on sales are determined using the specific identification method.

Accrued Claims, Accrued Expenses and Accounts Payable

Accrued claims consist of certain claims that are settled but unpaid at December 31, 2021 and 2020. A settled claim is a claim that has been accepted by the claimant with an executed release submitted to the Trust and approved by the Trustees. An unpaid settled claim is a claim that cannot be paid due to annual cap limitations or has been authorized by the Trustees but not yet paid. The liability for unpaid claims that is a result of annual cap limitations is recorded when settled. This liability is the product of the liquidated value of the unpaid claims times the Payment Percentage in effect at year-end. The actual amount paid to an unpaid claimant maybe more or less depending on the Payment Percentage in effect at the time of payment.

Accrued expenses and accounts payable consist of outstanding invoices associated with managing the Trust.

Unsettled Securities

Unsettled securities receivable consist of amounts due to the Trust for securities sold before year end. Unsettled securities payable consists of amounts owed for securities acquired before year end.

Operating Expenses

Operating expenses of the Trust are recorded as deductions on the special-purpose statements of changes in net claimants' equity in the period in which the invoices are accrued.

Income Taxes

The Trust is classified as a Qualified Settlement Fund pursuant to the Internal Revenue Code and Regulations thereunder (the Code). As a result, the Trust is subject to federal income taxes based on modified gross income, as defined by the Code. In the opinion of the Trustees and advisors, the Trust is not subject to state income taxes and, therefore, the special-purpose financial statements do not include any provision or liability for state income taxes.

Income tax expense is estimated and includes amounts payable or receivable under current federal income taxes.

The Trust records income tax expense (or benefit) associated with amounts payable (or receivable) under current federal income taxes and does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with changes in cumulative unrealized gains and losses on investments (see Note 5). The income taxes associated with gains on investments will be recorded in the Trust's special-purpose financial statements when the net gains are realized (i.e. the securities are sold) and the taxes become currently payable. In addition, there is no provision for deferred taxes associated with any future benefit from the potential use of net capital loss carryforwards to reduce taxable income in future years.

The Trust is generally no longer subject to income tax examinations by the Internal Revenue Service for the years ended December 31, 2017 and prior.

Concentrations of Credit Risk

The Trust's cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits, exposing the Trust to credit risk. The Trust has not experienced losses related to these balances. There are no amounts on deposit in excess of federally insured limits at December 31, 2021.

3. Cash, Cash Equivalents and Investment Securities

Cash, cash equivalents and investment securities consist of the following at December 31, 2021:

	2021		
	Cost	**Fair Value**	**Unrealized Gain**
Cash and cash equivalents	**$ 19,057,506**	**$ 19,057,506**	**$ -**
Equities	**35,030,986**	**90,148,495**	**55,117,509**
Bonds	**401,565,841**	**415,531,287**	**13,965,446**
Total cash, cash equivalents and investments	**$ 455,654,333**	**$ 524,737,288**	**$ 69,082,955**

Cash, cash equivalents and investment securities consist of the following at December 31, 2020:

	2020		
	Cost	Fair Value	Unrealized Gain
Cash and cash equivalents	$ 27,290,774	$ 27,290,774	$ -
Equities	46,860,374	89,243,414	42,383,040
Bonds	406,511,881	425,073,305	18,561,424
Total cash, cash equivalents and investments	$ 480,663,029	$ 541,607,493	$ 60,944,464

The maturities of the Trust's investments in bonds are as follows as of December 31, 2021:

	Less than 1 Year	After 1 Year Through 5 Years	After 5 Years Through 10 Years	After 10 Years	Total
Bonds	**$ 35,714,760**	**$ 179,243,731**	**$ 105,268,407**	**$ 95,304,389**	**$ 415,531,287**

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The maturities of the Trust's investments in bonds are as follows as of December 31, 2020:

	Less than 1 Year	After 1 Year Through 5 Years	After 5 Years Through 10 Years	After 10 Years	Total
Bonds	$ 20,011,853	$ 150,216,867	$ 145,500,534	$ 109,344,051	$ 425,073,305

4. Fair Value Measurements

The Trust's investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the Trust would use valuation models.

The Trust's assets recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- **Level 1 -** Inputs that are based upon quoted prices for identical instruments traded in active markets.

- **Level 2 -** Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.

- **Level 3 -** Inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The following section describes the valuation methodologies the Trust uses to measure its financial assets at fair value:

Level 1: Investments are valued at the closing price reported on the active market in which the individual securities are traded. These values are provided by the Trust's investment custodian.

Level 2 and Level 3: Investments are valued using a metrics system provided by the Trust's investment custodian.

Investments measured at fair value on a recurring basis are summarized below:

	As of December 31, 2021			
	Assets Measured At Fair	Fair Value Hierarchy Level		
Description	Value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 19,057,506	$ 18,916,538	$ 140,968	$ -
Equities:				
Common stock	89,987,638	89,027,950	959,688	-
Other	160,857	160,857	-	-
Total equities	90,148,495	89,188,807	959,688	-
Bonds:				
Bank Loans	32,401,742	-	32,401,742	-
Government	76,425,441	-	76,425,441	-
Corporate	49,367,961	-	49,367,961	-
Municipal	257,336,143	-	257,336,143	-
Total bonds	415,531,287	-	415,531,287	-
Total assets at fair value	$ 524,737,288	$ 108,105,345	$ 416,631,943	$ -

	As of December 31, 2020			
	Assets Measured At Fair	Fair Value Hierarchy Level		
Description	Value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 27,290,774	$ 25,745,728	$ 1,545,046	$ -
Equities:				
Common stock	89,027,141	88,183,670	843,471	-
Other	216,273	213,868	2,405	-
Total equities	89,243,414	88,397,538	845,876	-
Bonds:				
Bank Loans	30,250,624	-	30,250,624	-
Government	85,511,030	-	85,511,030	-
Corporate	32,558,883	-	32,558,883	-
Municipal	276,752,768	-	276,752,768	-
Total bonds	425,073,305	-	425,073,305	-
Total assets at fair value	$ 541,607,493	$ 114,143,266	$ 427,464,227	$ -

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5. Income Taxes

For federal income tax purposes, CE has elected for the qualified assets of the Trust to be taxed as a Qualified Settlement Fund (QSF). The following is a summary of the estimated net taxable operating income for the years ended December 31:

	2021	2020
Increase in net claimants' equity	**$ 20,966,342**	$ 27,244,507
Plus (less): other non-taxable income	**(518,546)**	1,403,730
Less: municipal bond interest	**(6,046,907)**	(7,127,112)
Less: realized gains on investment securities	**(4,168,517)**	(2,403,619)
Less: receipts from settlements and scheme payments	**-**	(414,251)
Less: Federal tax refund	**-**	(606,769)
Plus: change in net unrealized gains on investment securities, net of amortization expense	**(8,138,491)**	(15,819,666)
Plus: income taxes paid and accrued	**1,229,739**	1,337,180
Net taxable operating income	**3,323,620**	3,614,000
Statutory tax rate	**37.0%**	37.0%
Provision for current income taxes	**$ 1,229,739**	$ 1,337,180

As disclosed in Note 2 to the special-purpose financial statements, the Trust does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with cumulative unrealized gains and losses on investments.

6. Distributions from Net Claimants' Equity

For the years ended December 31, 2021 and 2020, the Trust settled 10,617 and 15,785 claims totaling $30,083,498 and $50,342,610, respectively. For the years ended December 31, 2021 and 2020, the Trust received 16,052 and 19,827 new claim filings, respectively.

The following is a reconciliation of distributions from claimants' equity to total claims (and related expenses) paid for the years ended December 31:

	2021	2020
Claim settlements	**$ 30,076,450**	$ 50,342,610
Change in accrued claims and expenses	**7,048**	6,994,973
Total cash paid for distributions to claimants	**$ 30,083,498**	$ 57,337,583

7. Contingent Liabilities

The Plan Documents (as defined in the Plan) subject the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust.

The probability of such claims cannot be reasonably determined. Accordingly, no associated liability has been recorded in the accompanying special-purpose financial statements. Such claims, if any, are not expected to be material.

8. Liability for Asbestos Claims

Personal injury claims that were settled, but unpaid as of December 31, 2021 and 2020, have been accrued and included in accrued claims, accrued expenses and accounts payable. These amounts have been included in distributions from net claimants' equity in the accompanying special-purpose statements of changes in net claimants' equity for the payment of claims for the years ended December 31, 2021 and 2020.

The ultimate number of Asbestos PI Trust Claims to be filed and the liability for all such claims are not determinable at this time. The net claimants' equity at December 31, 2021 and 2020 represents funding available for all Asbestos PI Trust Claims for which no fixed liability has yet been established.

9. COVID

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The COVID-19 pandemic has greatly contributed to significant volatility in financial markets through the date of issuance of these consolidated special-purpose financial statements. In addition, the COVID-19 pandemic has impacted the operational and logistical processes of organizations. The Trustees, Trust advisors, and management of the Trust continue to monitor the impact of this global situation on the Trust's financial condition and operations. Given the daily evolution of the COVID-19 pandemic and the global responses to curb its spread, the Trust is not able to estimate the long-term effects of the COVID-19 pandemic on its financial condition and operations.

10. Subsequent Events

The Trust has evaluated its December 31, 2021 special-purpose financial statements for subsequent events through April 26, 2022, the date the special-purpose financial statements were available to be issued. The Trust is not aware of any subsequent events which would require recognition or disclosure in the special-purpose financial statements.

Supplementary Information

Independent Auditor's Report on Supplementary Information

Trustees
Combustion Engineering 524(g) Asbestos PI Trust
Southfield, Michigan

Our audit of the special-purpose financial statements included in the preceding section of this report was conducted for the purpose of forming an opinion on those special-purpose statements as a whole. The supplementary information presented in the following section of this report is presented for purposes of additional analysis and is not a required part of those 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.

BDO USA, LLP

McLean, Virginia
April 26, 2022

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Combustion Engineering 524(g) Asbestos PI Trust

Schedules of Investment Income

Years Ended December 31,	**2021**	2020
Investment income		
Interest on bonds	**$ 11,286,483**	$ 11,166,502
Interest received from insurance settlement and tax refund	**-**	1,197,035
Other dividends	**1,421,508**	1,375,024
Interest on short term investments	**33,493**	97,988
Total investment income	**$ 12,741,484**	$ 13,836,549

See independent auditor's report on supplementary information.

Combustion Engineering 524(g) Asbestos PI Trust

Schedules of Operating Expenses, Income Taxes and Direct Investment Expenses

Years Ended December 31,	**2021**	2020
Operating expenses and income taxes		
Federal income taxes	**$ 1,229,739**	$ 1,337,180
Claims processing services	**972,505**	974,959
Legal fees	**656,798**	819,901
Consulting	**387,787**	713,705
Accounting and audit	**273,838**	328,026
Trustee disbursements	**543,430**	656,925
Insurance	**147,853**	124,667
Administrative costs	**5,075**	5,000
Other (income) expenses, net	**(5,854)**	4,111
Total operating expenses and income taxes	**$ 4,211,171**	$ 4,964,474
Direct investment expenses		
Investment advisory fees	**$ 785,428**	$ 852,574
Foreign taxes	**36,425**	(33,873)
Custodial fees	**50,000**	50,000
Total direct investment expenses	**$ 871,853**	$ 868,701

See independent auditor's report on supplementary information.

CERTIFICATE OF SERVICE

I, Andrea L. Ducayet, certify that on April 27, 2022, a true and correct copy of the foregoing was served on the parties listed below via first class mail and all other parties registered for electronic service via CM/ECF.

/s/ Andrea L. Ducayet

Counsel for the Reorganized Debtor
K&L Gates LLP
Attn: Richard Miller
599 Lexington Avenue
New York, New York 10022

Rich Michaelson Magaliff Moser, LLP
Attn: Jeff Rich
335 Madison Avenue, 9th Floor
New York, New York 10017

and

Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C.
Attn: Laura Davis Jones
919 North Market Street, 16th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Counsel for the Future Claimants' Representative
Frankel Wyron LLP
Attn: Richard H. Wyron
2101 L Street, NW, Suite 800
Washington, D.C. 20037

Counsel for the Trust Advisory Committee to the Asbestos PI Trust
Frank/Gecker LLP
Attn: Joseph Frank
1327 W. Washington Blvd., Suite 5G-H
Chicago, IL 60607

United States Trustee
The Office of the United States Trustee
Attn: Richard Schepacarter
844 N. King Street, Suite 2207
Lock Box 35
Wilmington, Delaware 19801