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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Special-Purpose Financial Statements
and
Report of Independent Auditors

Years Ended December 31, 2013 and 2012

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

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REPORT OF INDEPENDENT AUDITORS

To the Trustees of
G-I Holdings Inc. Asbestos Personal Injury Settlement Trust

We have audited the accompanying special-purpose financial statements of the G-I Holdings Inc. Asbestos Personal Injury Settlement Trust (the "Trust", organized in the State of Delaware), which comprise the special-purpose statements of net claimants' equity as of December 31, 2013 and 2012, and the related special-purpose statements of changes in net claimants' equity for the years then ended, and the related notes to the special-purpose financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the special-purpose basis of accounting. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the net claimants' equity of the G-I Holdings Inc. Asbestos Personal Injury Settlement Trust as of December 31, 2013 and 2012, and the changes in net claimants' equity for the years then ended in conformity with the special-purpose basis of accounting.

Emphasis of Matter

We draw attention to Note 2 of the special-purpose financial statements, which describes the basis of accounting. The financial statements are prepared on a special-purpose basis of accounting and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America. The special-purpose basis of accounting has been used in order to present the amount of equity presently available to current and future claimants and the changes in equity during the periods.

Restriction on Use

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 District of New Jersey and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this report, which, upon filing with the United States Bankruptcy Court for the District of New Jersey, is a matter of public record.

BKM Sowan Horan, LLP

Certified Public Accountants
April 16, 2014

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Special-Purpose Statements of Net Claimants' Equity

	December 31, 2013	December 31, 2012
ASSETS		
Cash and cash equivalents	$ **100,057,571**	$ 511,300,846
Investments in marketable securities	**477,058,954**	151,416,125
Accrued interest and dividend income	**3,885,968**	1,031,788
Prepaid expenses and other assets	**539,057**	163,168
Prepaid federal income taxes	**324,001**	324,001
Total assets	$ **581,865,551**	$ 664,235,928
LIABILITIES AND NET CLAIMANTS' EQUITY		
Accrued expenses	$ **441,016**	$ 424,926
Accrued payments to claimants	**18,037,877**	45,686,761
Payable on pending investment purchases	**6,159,230**	-
Total liabilities	**24,638,123**	46,111,687
Net claimants' equity	$ **557,227,428**	$ 618,124,241

See accompanying notes to special-purpose financial statements.

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Special-Purpose Statements of Changes in Net Claimants' Equity

	Years Ended December 31, 2013	2012
Net Claimants' Equity, Beginning of Year	$ 618,124,241	$ 746,159,283
Additions		
Interest and dividend income	16,968,273	2,286,442
Interest income - note receivable	-	5,121,367
Total additions	16,968,273	7,407,809
Deductions		
Payments to claimants	66,448,222	73,816,176
Loss on investments in marketable securities, net	8,158,490	1,374,441
Loss on Trust note redemption	-	56,224,140
Claims processing fees	1,620,662	1,846,289
Legal fees	370,042	419,211
Financial consulting	322,233	83,853
Trustee fees and expenses	259,092	399,981
Trustee fiduciary fees	180,000	180,000
Accounting fees	168,185	97,085
Insurance expense	70,089	68,031
Custody fees and collateral agent administrative fees	63,802	542
Future Claimants' Representative fees and expenses	33,495	37,445
Consulting fees	32,431	57,737
Audit fees	29,362	35,571
Delaware Trustee fees and expenses	4,500	4,500
Trust Advisory Committee member expenses	1,341	1,695
Income tax expense	-	796,154
Foreign tax expense	103,140	-
Total deductions	77,865,086	135,442,851
Net Decrease in Net Claimants' Equity	(60,896,813)	(128,035,042)
Net Claimants' Equity, End of Year	$ 557,227,428	$ 618,124,241

See accompanying notes to special-purpose financial statements.

G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 1 - Nature of the Trust

Description of the Trust

The G-I Holdings Inc. Asbestos Personal Injury Settlement Trust (the "Trust") was established in accordance with the Eighth Amended Joint Plan of Reorganization (the "Plan"), of G-I Holdings Inc. and ACI Inc., ("G-I") pursuant to Chapter 11 of the United States Bankruptcy Code. The purpose of the Trust is:

i) to assume liability for all asbestos personal injury claims ("Claims") against G-I;

ii) to use the Trust's assets and income to pay holders of valid Claims in such a way that all holders of similar asbestos claims, both current and future, are treated in a substantially equivalent manner; and

iii) to comply in all respects with the requirements for a trust set forth in Section 524(g)(2)(B) of the Bankruptcy Code.

The Trust was established on November 17, 2009, the Effective Date of the Plan ("Effective Date"), and is a Qualified Settlement Fund under Internal Revenue Code Section 468B for holders of Claims ("Qualified Settlement Fund"). The Trust operates as the G-I Holdings Inc. Asbestos Personal Injury Settlement Trust.

Pursuant to the Plan, G-I Holdings Inc. paid $210,050,000 in cash to the Trust at the date of formation. In addition, the Trust received a Note Receivable from G-I Holdings Inc. in the amount of $560,000,000. The Note Receivable was redeemed by G-I Holdings Inc. on August 3, 2012. See Note 3.

The Trust is governed by a Trust Agreement and Trust Distribution Procedures ("TDP") that establish the framework and criteria for allowance and payment of Claims by the Trust. The Trust Agreement and TDP were approved by the United States District Court as part of the Plan. There are eight disease levels specified in the TDP. Each claimant who meets the medical and exposure requirements of the TDP for a particular disease level may apply for expedited review and a specified payment amount. Claimants also have an alternative, under the TDP, to submit additional documentation and request a more expansive review of their Claim (Individual Review Process) in which case claims may be paid within a range of amounts.

The Trust's assets consist primarily of cash and cash equivalents and investments in marketable securities, which, with the earnings (or losses) on such investments, are intended to be totally

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Note 1 - Nature of the Trust – (Continued)

Description of the Trust - continued

consumed by the allowance and payment of claims and operation of the Trust. The percentage amount of each allowed claim that will actually be paid will be determined by projections of total allowed Claims and operational expense of the Trust, on the one hand, and total assets and net earnings (or losses), on the other. Effective January 1, 2012, the Trust amended the TDP. The Payment Percentage, initially set at 8.6%, was adjusted to 7.4% by the Trust pursuant to the consent of the Trust Advisory Committee (the "TAC") and the Legal Representative for Future Claimants (the "Futures Representative"). This payment percentage is subject to periodic review and adjustment. The Trustees are fiduciaries to the beneficiaries of the Trust and are responsible for administering the Trust and the Trust's assets in accordance with the Trust Agreement and the Plan.

Termination

The Trust Agreement (Section 7.2) provides that the Trust shall automatically dissolve on the date (the Dissolution Date) ninety (90) days after the first to occur of the following events:

- The Trustees, in their discretion, decide to terminate the Trust because (A) they deem it unlikely that new Claims will be filed against the Trust , (B) all Claims duly filed with the Trust have been liquidated and paid to the extent provided in the Trust Agreement and TDP, or have been disallowed by a final, non-appealable order, to the extent possible based upon the funds available through the Plan, and twelve (12) consecutive months have elapsed during which no new Claims have been filed with the Trust;

- If the Trustees have procured and have in place irrevocable insurance policies and have established claims handling agreements and other necessary arrangements with suitable third parties adequate to discharge all expected remaining obligations and expenses of the Trust in a manner consistent with the Trust Agreement and the TDP, the date on which the Bankruptcy Court enters an order approving such insurance and other arrangements and such order becomes a final order; or

- To the extent that a rule against perpetuities shall be deemed applicable to the Trust, twenty-one (21) years less ninety-one (91) days pass after the death of the last survivor of all the descendants of the late Joseph P. Kennedy, Sr., father of the late President John F. Kennedy, living on the Effective Date of the Plan.

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 1 - Nature of the Trust – (Continued)

Termination – continued

On the dissolution date or as soon as reasonably practicable, after the wind-up of the Trust's affairs by the Trustees and payment of all the Trust's liabilities have been provided for as required by applicable law, all remaining assets shall be applied to such charitable purposes, if practicable, which shall be related to the treatment of, research on, or the relief of individuals suffering from asbestos related lung disease or disorders.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting

The Trust's special-purpose financial statements are prepared using special-purpose accounting methods that differ from accounting principles generally accepted in the United States of America (GAAP). The special-purpose accounting methods are being used to better communicate the equity available to satisfy current and future claims. 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. These special-purpose accounting methods and the differences from GAAP are summarized as follows:

- The special-purpose financial statements are prepared using the accrual basis of accounting, except as otherwise described herein.
- The statement of net claimants' equity is not classified, resulting in no separation between current and noncurrent assets.
- These special-purpose financial statements do not include a statement of cash flows.
- Cash and cash equivalents are recorded at cost with accrued income shown separately.
- The funding received from G-I Holdings Inc. has been recorded directly to net claimants' equity. These funds do not represent taxable income to the Trust. Payments to claimants are reported as deductions from net claimants' equity and do not represent expenses of the Trust.

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 2 - Summary of Significant Accounting Policies - (Continued)

Basis of accounting - continued

- At December 31, 2013 and 2012, the liability for accrued payments to claimants reflected in the statement of net claimants' equity represents unpaid outstanding ($12,780,128 and $20,411,580, respectively) and accepted ($2,378,132 and $805,710, respectively) offers. Also included in the liability for accrued payments to claimants at December 31, 2013 and 2012 ($2,879,617 and $24,469,471, respectively) was an accrual for the second installment on all previously paid offers, which has not been discounted to estimated net present value. A claims liability is recorded once an offer is made to the claimant at an amount equal to the liquidated value multiplied by the applicable payment percentage. Pursuant to the TDP, the claims liability was paid in two installments to the claimant with the final installment based on the then applicable payment percentage. During 2013, the Trustees amended the TDP to provide that after October 1, 2013, the Trust will make all outstanding installment payments, the installment payment will be eliminated, and claimants will receive payment of their settled claims in a single payment equal to the liquidated value of the claim times the payment percentage in effect at the time of the payment. At December 31, 2013, certain second installment payments remained unpaid due to an Ohio Worker's Compensation subrogation issue. No liability is recorded for future claims filings and filed claims on which no offer has been made. Net claimants' equity represents funding available to pay present and future claims on which no liability has been recorded.

- The Trust's investments in marketable securities are considered as available for sale. The unrealized holding gains (losses) on these investments are included in net loss on investments in marketable securities, net of management fees, bond amortization and trading expenses on the accompanying statements of changes in net claimants' equity. Under accounting principles generally accepted in the United States of America, the unrealized holding gains (losses) on available for sale investments would be included as a component of net claimants' equity reported as accumulated other comprehensive income (loss).

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Note 2 - Summary of Significant Accounting Policies - (Continued)

Use of estimates

The preparation of special-purpose financial statements in conformity with the special-purpose accounting method requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the special-purpose financial statements and the reported amounts of additions and deductions to net claimants' equity during the reporting periods. Significant items subject to such estimates and assumptions include the carrying value of financial instruments, current and deferred income taxes, and the accrued payments to claimants. Actual results could differ from those estimates.

Financial instruments

The Trust's financial instruments are cash and cash equivalents, accrued investment income, marketable securities, and accrued expenses and payments to claimants. The carrying amount of cash and cash equivalents, accrued investment income and accrued expenses approximate their fair values based on their short-term nature. The carrying amount of payments to claimants approximate fair value based upon management's estimates and history of payments. The carrying amount of marketable securities is based on fair value.

Cash and cash equivalents

The Trust invested in short-term securities with maturities of less than one year. At December 31, 2013 and 2012, the Trust had $100,057,571 and $510,600,846, respectively, invested in Northern Trust Treasury money market funds. At December 31, 2012, cash also included $700,000 of commercial paper.

Concentrations of credit risk

Financial instruments, which potentially subject the Trust to concentrations of credit risk, consist primarily of cash and cash equivalents and investments in marketable securities. The Trust maintained its cash and cash equivalents in accounts that are not federally insured but considers them to be of high credit quality. The Trust has not experienced any losses in such accounts, and it does not believe it is exposed to any significant credit risk.

The Trust's investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with investments, it is at least reasonably possible that signification changes in risks in the near term may materially affect the amounts reported in the financial statements. However, the Trust has a formal investment policy of placing investments in high-quality financial institutions.

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 2 - Summary of Significant Accounting Policies - (Continued)

Investments in marketable securities and related income

Investments in marketable securities are reported at fair value in the special-purpose statements of net claimants' equity and changes in the fair value of investments, as well as realized gains and losses are included in net loss on investments in marketable securities, net of management fees, bond amortization and trading expenses reported in the special-purpose statements of changes in net claimants' equity. All marketable securities are deemed by management to be available for sale and are reported at fair value based on their quoted market prices with net holding unrealized gains or losses reported within net claimants' equity. Purchases and sales of marketable securities are recorded on the trade date.

Realized gains and losses on disposals of investments are determined by the specific identification method. Interest and dividend income are recognized on the accrual basis.

Investments considered to be permanently impaired in value are written down to their estimated net realizable value and the write down is recorded as a realized loss on investments. Unrealized losses that are other-than-temporary based upon management's estimates using quantitative and qualitative criteria are recognized as realized investment losses. Actual results could differ from those estimates.

Net claimants' equity

The Trust, under the adopted special-purpose accounting convention, does not record the liability for future claims expected to be filed over the life of the Trust. The net claimants' equity is available for (i) the payments of allowed asbestos-related claims and (ii) operational expenses of the Trust.

Subsequent events

The Trust has evaluated events and transactions subsequent to the date of the special-purpose financial statements for matters requiring recognition or disclosure in the special-purpose financial statements. The accompanying special-purpose financial statements consider events through April 16, 2014, the date on which the financial statements were available to be issued.

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 2 - Summary of Significant Accounting Policies - (Continued)

Income taxes

Deferred tax assets and liabilities are recorded based on temporary differences between the carrying amounts of assets and liabilities for financial reporting and income tax purposes using the tax rates currently in effect. A valuation allowance is established when it is not more likely than not that the deferred tax assets may be realized. No provision for state income taxes was recorded because, as a Delaware trust, the Trust has no state income tax return filing obligation and is not obligated to pay state income taxes. Funds received by the Trust from G-I Holdings Inc. and disbursements paid to settle asbestos claims are not taxable or deductible by the Trust.

The amount of income taxes the Trust pays is subject to ongoing audits by federal authorities. The Trust's federal income tax returns for tax years 2010 through 2012 remain subject to examination by the Internal Revenue Service. The Trustees' estimate of the potential outcome of any uncertain tax issues is subject to management's assessment of relevant risks, facts, and circumstances existing at that time. The Trust uses a more likely than not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. To the extent that the Trustees' assessment of such tax position changes, the change in estimate is recorded in the period in which the determination is made. The Trust reports tax-related interest and penalties as a component of income tax expense and operating expenses, respectively. The Trust has recognized no increase in liabilities for unrecognized tax benefits.

Note 3 - Trust Note Receivable - G-I Holdings Inc.

On November 17, 2009, pursuant to the Plan, G-I Holdings Inc. ("the Company") issued a Note to the Trust in the amount of $560,000,000.

The Trust Note bore interest at an annual rate equal to the lesser of (i) the three month Libor rate plus 1% or (ii) 5.5%, and was calculated on the basis of a 360-day year. The interest rate was reset on each quarterly determination date, which was two London banking days prior to the first day of the applicable interest period. An interest period began on the interest payment date for the prior interest period - February 17, May 17, August 17 and November 17. Interest was payable, at the option of the Company, in cash or in kind (PIK). All payments of

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Notes To Special-Purpose Financial Statements

Note 3 - Trust Note Receivable - G-I Holdings Inc. – (Continued)

PIK interest were added to the outstanding principal amount of the Trust Note on the applicable interest payment date and accrued interest from that date. During 2012, all the applicable interest payments were paid in PIK interest.

The Trust Note required the Company to make principal payments starting on November 17, 2012 and continuing in years 2013 through 2018. The entire unpaid principal balance of the Trust Note, including PIK interest added to the principal balance, together with accrued and unpaid interest was due on November 17, 2019.

The Trust Note required the Company to maintain acceptable irrevocable letters of credit in an amount equal to the then current aggregate unpaid principal amount (including all PIK interest added to the principal amount at such time) and all accrued and unpaid interest (other than PIK interest added to the principal amount), plus an amount equal to interest at 5.5% per annum on such principal amount for the period from the next succeeding interest payment date to the interest payment date following such next succeeding interest payment date.

During the year ended December 31, 2012, the Company maintained the required irrevocable letter of credit balance.

During 2012, The Trust, G-I Holdings Inc. and the Collateral Agent, acting at the direction of the Trustees, entered into negotiations and agreed to amend the terms of the Trust Note. The agreement provided the Trust with the right to exercise an optional redemption of the Trust Note (the "Special Put Right") and that G-I's obligations with respect to the Trust Note would be satisfied and discharged in full in consideration for payment of $525 million. Proceeds in the amount of $525 million were received by the Trust on August 3, 2012. The Trust received $56,224,140 less than the Trust Note's face value upon redemption of the Trust Note.

Note 4 – Investments in Marketable Securities

Fair value of investments

The Trust measures its investments, at fair value, according to a hierarchy of valuation techniques. The following are the levels of the hierarchy and a brief description of the type of valuation information ("inputs") that qualifies an investment for each level:

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Notes To Special-Purpose Financial Statements

Note 4 – Investments in Marketable Securities - (Continued)

Fair value of investments - continued

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments in Level 1 includes short-term investments and listed equity securities.

Level 2 – Pricing inputs are other than quoted market prices included in Level 1, however, are observable indirectly for the investment. The Trust includes its corporate and municipal bonds, asset and commercial mortgage backed securities, and other fixed income in Level 2, because these pricing inputs are indirectly evident through interest rates for commonly quoted credit risks.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The Trust does not carry any Level III investments.

The valuations of the Trust's investments in marketable securities by the above fair value hierarchy levels and the corresponding cost of the investments are as follows:

		December 31, 2013		
	Level	Market Value	Cost	Unrealized Gains (Losses)
Equity securities				
Common stock	I	$ 80,524,302	$ 68,012,621	$ 12,511,681
Preferred stock	I	1,883,363	1,923,511	(40,148)
Total equity securities		82,407,665	69,936,132	12,471,533
Other fixed income	II	1,101,437	1,100,000	1,437
Asset backed securities	II	5,745,962	5,814,013	(68,051)
Commercial mortgage backed securities	II	12,012,610	12,341,379	(328,769)
Corporate bonds	II	12,316,426	12,408,676	(92,250)
Municipal bonds	II	363,474,854	367,639,790	(4,164,936)
Total		$ 477,058,954	$ 469,239,990	$ 7,818,964

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 4 – Investments in Marketable Securities – (Continued)

Fair value of investments - continued

		December 31, 2012		
	Level	Market Value	Cost	Unrealized Gains (Losses)
Other fixed income	II	$ 8,838,105	$ 8,798,128	$ 39,977
Asset backed securities	II	9,788,281	9,775,791	12,490
Corporate bonds	II	28,305,744	28,163,414	142,330
Municipal bonds	II	104,483,995	104,355,084	128,911
Total		$ 151,416,125	$ 151,092,417	$ 323,708

Maturities of the Trust's debt securities at December 31, 2013 are as follows:

	Market Value	Cost	Unrealized Gains (Losses)
Due in one year or less	$ 10,323,561	$ 10,316,064	$ 7,497
Due after one year through five years	112,491,233	112,395,152	96,081
Due after five years through ten years	111,635,640	113,814,070	(2,178,430)
Due after ten years through twenty years	86,750,395	88,780,922	(2,030,527)
Due after twenty years	73,450,460	73,997,650	(547,190)
Total	$ 394,651,289	$ 399,303,858	$ (4,652,569)

Investment income (loss)

For the years ended December 31, 2013 and 2012, the loss on investments in marketable securities, net, shown on the accompanying special-purpose statements of changes in net claimants' equity includes realized losses of $6,510,531 in 2013, realized gains of $32,638 in 2012, unrealized gains of $7,495,256 and $323,708, respectively, investment management fees and trading expenses of $885,724 and $160,461, respectively, and bond amortization of $8,257,491 and $1,570,326, respectively.

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G-I HOLDINGS INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST

Notes To Special-Purpose Financial Statements

Note 5 - Taxation

The Trust reports its income to the Internal Revenue Service as a Qualified Settlement Fund which is taxed at the highest rate applicable to trusts under Section 1(e) of the Code, which is 39.6% for the year ending December 31, 2013 having increased from 35% for the year ending December 31, 2012.

The Trust's federal income tax expense (benefit) is calculated as follows for the periods ended December 31:

		2013		2012
Net taxable income (loss)	$	(73,745)	$	2,274,725
Tax rate		39.6%		35%
Federal income tax expense (benefit)	$	(29,203)	$	796,154
Change in valuation allowance		29,203		-
Net income tax expense	$	-	$	796,154

During the year ended December 31, 2012, the Trust remitted estimated tax payments of $1,048,000 of which $324,001 is still shown as an overpayment of income taxes. At December 31, 2013 and 2012, the Trust had a capital loss carryforward of approximately $62,702,000 and $56,191,000, respectively which start to expire in 2017. The Trust also has an operating loss carryforward of approximately $73,000 at December 31, 2013 which will expire in 2033.

Temporary differences between financial reporting income and taxable income generate deferred tax assets related to loss carryforwards and deferred tax liabilities related to unrealized holding gains on investments. The Trust established a valuation allowance of approximately $21,762,800 and $19,553,000 at December 31, 2013, and 2012, respectively, to reduce its net deferred tax assets to zero, since the Trust's realization of the related income tax benefits is uncertain.

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Note 6 - Trust Advisory Committee and Legal Representative

The Trust Agreement sets forth the role and responsibility of the Trust Advisory Committee (TAC) and Legal Representative (LR). The members of the TAC serve in a fiduciary capacity representing all holders of present Asbestos Claims (Current Claimants). The Trustees are required to consult with or obtain the consent of the TAC on certain matters identified in the Trust Agreement and the TDP. The TAC is comprised of eight attorneys who are engaged by Current Claimants.

The LR serves in a fiduciary capacity, representing the interests of the individuals who may file an Asbestos Claim in the future, but who at this time are unknown to the Trust (Future Asbestos Claimants). His role, in part, is to protect rights of the Future Asbestos Claimants. The Trustees are required to consult with or obtain the consent of the LR on certain matters identified in the Trust Agreement and the TDP.

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G-I Holdings Inc. Asbestos Personal Injury Settlement Trust

Report of Compensation and Expense Reimbursement (January 1, 2013 through December 31, 2013)

	Compensation	Expense Reimbursement
Stephen M. Snyder (Managing Trustee)	$133,650	$2,978
Alan B. Rich (Trustee)	$159,750	$5,151
Marina Corodemus (Trustee)	$136,800	$763
Trust Advisory Committee Members	$-0-	$1,341
Futures Representative	$31,552	$1,943

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G-I Holdings, Inc.
Asbestos Personal Injury Settlement Trust

Report of Asbestos PI Claim Activity and Disposition during Period from January 1, 2013 through December 31, 2013

Type of Claim	Number of Claims Filed	Number of Claims Approved for Payment	Number of Claims Withdrawn or Rejected	Value of Approved Claims	Number of Approved Claims Paid	Amount Paid on Approved Claims after Application of Payment Percentage
Pre-Petition Liquidated Claims	24	57	3,728	$6,259,667	9,344	$2,983,062
Category A Claims (Disease Levels IV – VIII)	14,359	10,250	3,262	$775,096,957	16,980	$74,780,077
Category B Claims (Disease Levels II and III)	29,656	42,941	4,531	$187,959,275	68,019	$16,324,101
Disease Level I Claims	895	898	853	$134,700	416	$63,000
Disease Level Not Specified	2,274	0	286	$0	0	$0

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY

FILED
JAMES J WALDRON, CLERK
APR 29 2014
U S BANKRUPTCY COURT
NEWARK, NJ
BY DEPUTY

In re:	:	
	:	Chapter 11
G-I HOLDINGS INC.,	:	
(f/k/a GAF Corporation),	:	Case No. 01-30135 (RG)
	:	
Debtor.	:	Hon. Rosemary Gambardella

CERTIFICATION OF SERVICE

FRANCES GECKER hereby certifies as follows:

1. I am an attorney at the law firm of FrankGecker LLP.

2. On April 28, 2014, I caused to be filed the **G-I Holdings Inc. Asbestos Personal Injury Settlement Trust Special-Purpose Financial Statements and Report of Independent Auditors for the Years Ended December 31, 2013 and 2012** and **Related Information** with the Clerk of the United States Bankruptcy Court, District of New Jersey, via Federal Express overnight delivery.

3. On April 28, 2014, I caused a copy of the aforementioned document to be served via electronic mail on all persons listed on the attached Service List and via U.S. Mail to the Office of the United States Trustee.

4. I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: April 28, 2014

Frances Gecker

SUBSCRIBED AND SWORN TO before me this 28th day of April, 2014.

Notary Public

OFFICIAL SEAL
CHRISTINA CARPENTER
Notary Public - State of Illinois
My Commission Expires Apr 10, 2016

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