IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re:	)	Chapter 11
	)	
GEO. V. HAMILTON, INC.	)	Case No. 15-23704-GLT
	)	
Reorganized Debtor.	)	

NOTICE OF FILING ANNUAL REPORT

The Geo. V. Hamilton, Inc. Asbestos Trust (the "Trust"), hereby files its Audited Financial Statements for the fiscal year ending December 31, 2019 and an Annual Report for the period covered by the Audited Financial Statements. The Annual Report and Financial Statements are attached hereto as Exhibit 1.

Pursuant to the provisions of the Geo. V. Hamilton, Inc. Trust Agreement, the Trust is providing copies of the Annual Report and the Audited Financial Statements to the Trust Advisory Committee, the Future Claims Representative and the Office of the United States Trustee for the Western District of Pennsylvania.

Date: April 29, 2020

CAMPBELL & LEVINE, LLC

s/Douglas A. Campbell

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Counsel to the Geo. V. Hamilton, Inc. Asbestos Trust

EXHIBIT 1

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re:	)	Chapter 11
	)	
GEO. V. HAMILTON, INC.	)	Case No. 15-23704-GLT
	)	
Reorganized Debtor.	)	

REPORT OF THE GEO. V. HAMILTON, INC. ASBESTOS TRUST

Alan B. Rich the Trustee of the Geo. V. Hamilton, Inc. Asbestos Trust (the "Trust"), created pursuant to the First Amended Plan of Reorganization, as Modified, of Geo. V. Hamilton, Inc. Under Chapter 11 of the Bankruptcy Code (the "Plan"), submits this Annual Report, Financial Statements, and Claims Summary regarding the Trust's actions through December 31, 2019.

I. INTRODUCTION

The purpose of this Report is to provide information to interested parties and to report to the Court on the actions taken by the Trustee on behalf of the Trust during the period from the Trust's January 1, 2019 through December 31, 2019 (the "Reporting Period").

Section 2.2(c) of the Trust Agreement provides:

The Trustee shall timely account to the Bankruptcy Court as follows:

> (i) The Trustee shall cause to be prepared and filed with the Bankruptcy Court, as soon as available, and in any event within one hundred and twenty (120) days following the end of each fiscal year, an annual report (the "Annual Report") containing financial statements of the Asbestos Trust (including, without limitation, a balance sheet of the Asbestos Trust as of the end of such fiscal year and a statement of operations for such fiscal year) audited by a firm of independent certified public accountants selected by the Trustee and accompanied by an opinion of such firm as to the fairness of the financial statements' presentation of the cash and investments available for the payment of claims. The Trustee shall provide a copy of such Annual Report to the TAC and the FCR when such reports are filed with the Bankruptcy Court.
>
> (ii) Simultaneously with the filing of the Annual Report, the Trustee shall cause to be prepared and filed with the Bankruptcy Court a report containing a summary regarding the number and type of claims disposed of during the period covered by the

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financial statements. The Trustee shall provide a copy of such report to the TAC and the FCR when such report is filed.

(iii) All materials required to be filed with the Bankruptcy Court by this Section 2.2(c) shall be available for inspection by the public in accordance with procedures established by the Bankruptcy Court and shall be filed with the Office of the United States Trustee for the Western District of Pennsylvania (the "U.S. Trustee").

The Trust Agreement further provides for the inclusion of a description of the amounts paid to the Trustee, Trust Advisory Committee (the "TAC"), and Futures Representative (the "FCR") in the accounts filed with the Bankruptcy Court. See Sections 4.5(c), 5.6 and 6.5.

II. BACKGROUND

On October 5, 2015, Geo. V. Hamilton, Inc. commenced a reorganization case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court, which case was administered under Case No. 15-23704. On February 27, 2018, Chief Judge Joy Flowers Conti, United States District Court for the Western District of Pennsylvania and Judge Gregory L. Taddonio, United States Bankruptcy Court for the Western District of Pennsylvania jointly entered an order (the "Confirmation Order") confirming the First Amended Plan of Reorganization, as Modified, of Geo. V. Hamilton, Inc. Under Chapter 11 of the Bankruptcy Code. The Plan went effective on March 30, 2018, and the Trust was formed via the filing of the Certificate of Trust with the Delaware Secretary of State on April 2, 2018.

On or after the Effective Date, the Trust was funded as provided for in Section 8.1 of the Plan. The purpose of the Trust is to assume, liquidate, and resolve all Asbestos Claims, as defined in the Plan, and to use the assets and income of the Trust to pay both present and future asbestos claimants in accordance with the Trust Agreement and the Trust Distribution Procedures in such a way that holders of Asbestos Claims are treated fairly, equitably, and reasonably in light of the

finite assets available to satisfy such claims. See Plan Section 8.1(a); Trust Agreement, Section 1.2.

III. TRUST ADMINISTRATION

A. Trustee

Alan B. Rich served as the Trustee of the Trust during the Reporting Period.

1. Meetings

During the Reporting Period, the Trustees held formal meetings with the TAC and FCR. In addition to these formal meetings, the Trustees held teleconferences, communicated individually with Trust advisors, and devoted considerable time to Trust matters outside of scheduled meetings. Activities included deploying and then monitoring trust assets with investment managers, communicating with counsel to claimants, determining the initial payment percentage, and designing processes to receive, process, and pay claims pursuant to the Trust Distribution Procedures. In addition, and with the consent of the Trust Advisory Committee and Future Claims Representative, the Trustee established the Claim Form, the related instructions and the Trust's releases. The Trustee also established the list of Accepted Jobsites.

2. Compensation

The compensation paid and expenses reimbursed to the Trustee during the Reporting Period are set forth on Exhibit "B" attached hereto. The inclusion of this information in the Trust's financial statements satisfies the requirements of Section 4.5(c) of the Trust Agreement. All payments related to Trustee compensation and expense reimbursements were made in accordance with the Trust Agreement.

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B. Trust Advisory Committee

John A. Baden IV, Thomas W. Bevan, James L. Ferraro, Bruce E. Mattock, and Matt Peterson served as members of the Trust Advisory Committee. The compensation paid and expenses reimbursed to the TAC during the Reporting Period are set forth on Exhibit "B" attached hereto.

C. Future Claims Representative

Gary Phillip Nelson served as the Future Claims Representative. The compensation paid to the Future Claims Representative during the Reporting Period is set forth on Exhibit "B" attached hereto.

D. Investment Management

Taiber Kosmala and Associates, LLC ("Taiber") was retained to serve as the Trust's investment advisor. Taiber is a leading provider of investment consulting services with significant experience advising on investment management. Taiber advises the Trustee on asset allocation, meeting liquidity needs, and the selection and oversight of individual investment managers for the Trust's portfolio. The Trust's invested assets are allocated in compliance with the Trust's investment guidelines.

E. General Counsel

Campbell & Levine, LLC of Pittsburgh, Pennsylvania and Wilmington, Delaware served as general counsel to the Trust.

IV. CLAIMS REPORT

The Trust began accepting and processing unliquidated Asbestos Personal Injury Claims on January 7, 2019.

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As of December 31, 2019, the Trust resolved zero Pre-Petition Liquidated Claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $0 to asbestos victims in settlement of their Pre-Petition Liquidated Claims.

As of December 31, 2019, the Trust had received 1,905 unliquidated Asbestos Claims and paid a total of 310 claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $1,182,733.47 to asbestos victims in settlement of their unliquidated Asbestos Claims.

Further information regarding the Trust can be found on the Trust website at: http://gvh.mfrclaims.com/. Claims materials, instructions, and other relevant information are posted to the Trust's website.

V. FINANCIAL STATEMENTS

The Trust's audited financial statements for the Reporting Period are attached hereto as Exhibit "A." The financial statements were audited by BKM Sowan Horan, LLP.

Date: April 29, 2020

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EXHIBIT A

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GEO. V. HAMILTON, INC.
ASBESTOS TRUST

Special-Purpose Financial Statements
and
Report of Independent Auditors

Year Ended December 31, 2019
and for the Period
April 2, 2018 (date of formation)
to December 31, 2018

GEO. V. HAMILTON, INC. ASBESTOS TRUST

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REPORT OF INDEPENDENT AUDITORS

To the Trustee of
Geo. V. Hamilton, Inc. Asbestos Trust

We have audited the accompanying special-purpose financial statements of the Geo. V. Hamilton, Inc. Asbestos Trust (the Trust, organized in the State of Delaware), which comprise the special-purpose statement of net claimants' equity as of December 31, 2019, and the related special-purpose statement of changes in net claimants' equity for the year 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; this includes determining that the special-purpose basis of accounting is an acceptable basis for the preparation of the financial statements in these circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the special-purpose 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 special-purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the net claimants' equity of the Geo. V. Hamilton, Inc. Asbestos Trust as of December 31, 2019, and the changes in net claimants' equity for the year then ended in conformity with the special-purpose basis of accounting.

Prior Period Financial Statements

The 2018 financial statements were compiled by other accountants and their report thereon, dated April 26, 2019, stated they did not audit or review those financial statements and, accordingly, expressed no opinion or other form of assurance on them.

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 to the Trust. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended solely for the information and use of the management of the Trust, the Trustee, the beneficiaries of the Trust and the United States Bankruptcy Court for the Western District of Pennsylvania 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 Western District of Pennsylvania, is a matter of public record.

BKM Sowan Horan, LLP

Addison, Texas
April 22, 2020

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GEO. V. HAMILTON, INC. ASBESTOS TRUST

Special-Purpose Statements of Net Claimants' Equity

	December 31,	
	2019	2018
	(Audited)	(Compiled)
ASSETS		
Cash and cash equivalents		
Unrestricted	$ **1,408,518**	$ 853,182
Restricted	**36,470**	-
Investments in marketable securities and certificate of deposit	**14,488,610**	13,032,896
Excess Cash Flow and Pledge Agreement receivable	**7,000,000**	9,000,000
Accrued interest and dividend income	**132,197**	123,502
Purchased interest	**557**	4,368
Prepaid expenses	**55,098**	55,204
Total assets	$ **23,121,450**	$ 23,069,152
LIABILITIES AND NET CLAIMANTS' EQUITY		
Accrued expenses	$ **24,688**	$ 37,729
Accrued payments to claimants	**639,710**	-
Claims processing deposits	**36,470**	-
Deferred tax liability	**128,150**	-
Total liabilities	**829,018**	37,729
Net claimants' equity	$ **22,292,432**	$ 23,031,423

See accompanying notes to special-purpose financial statements.

GEO. V. HAMILTON, INC. ASBESTOS TRUST

Special-Purpose Statements of Changes in Net Claimants' Equity

	Year ended Dec. 31, 2019 (Audited)	Period ended Dec 31, 2018 (Compiled)
Net Claimants' Equity, Beginning of Period	$ **23,031,423**	$ -
Additions		
Net gain on investments in marketable securities, net of management fees, custody fees and bond amortization	**975,077**	-
Interest and dividend income	**553,050**	356,592
Received from Geo. V. Hamilton, Inc. at formation -		
Company cash	**-**	8,016,141
Marketable securities	**-**	277,211
Excess Cash Flow and Pledge Agreement receivable	**-**	9,000,000
Insurance settlement	**-**	6,000,000
Cash from the estate of a former shareholder of the debtor	**-**	175,000
Filing fees collected on withdrawn claims	**780**	-
Total additions	**1,528,907**	23,824,944
Deductions		
Payments to claimants	**1,822,443**	-
Net loss on investments in marketable securities, net of management fees and bond amortization	**-**	545,108
Net income tax expense	**128,150**	-
Legal fees	**75,277**	48,473
Accounting fees	**54,264**	15,338
Trustee fiduciary fee	**50,000**	50,000
Claims processing fees	**31,981**	25,000
Consulting fees	**23,888**	17,416
Insurance expense	**17,500**	13,364
Financial consulting fees	**16,000**	12,000
Future Claimants' Representative fees and expenses	**13,838**	-
Trust Advisory Committee counsel fees and expenses	**12,955**	30,738
Trustee fees and expenses	**10,143**	29,565
Audit fees	**6,842**	-
Delaware Trustee fees and expenses	**3,000**	5,250
Foreign taxes paid	**1,357**	1,269
Miscellaneous expenses	**260**	-
Total deductions	**2,267,898**	793,521
Net Increase (Decrease) in Net Claimants' Equity	**(738,991)**	23,031,423
Net Claimants' Equity, End of Period	$ **22,292,432**	$ 23,031,423

See accompanying notes to special-purpose financial statements.

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GEO. V. HAMILTON, INC. ASBESTOS TRUST

Notes to Special-Purpose Financial Statements

Note 1 - Nature of Trust

Description of Trust

The Geo. V. Hamilton, Inc. Asbestos Trust (the "Trust") was established in accordance with the First Amended Plan of Reorganization (the "Plan") of Geo. V. Hamilton, Inc. ("GVH") under Chapter 11 of the United States Bankruptcy Code. The purpose of the Trust is:

- to assume all liabilities and responsibility for all Asbestos Claims ("Claims");
- to direct the processing, liquidation and payment of all Claims in accordance with the Plan, the Trust Distribution Procedures ("TDP"), and the Confirmation Order;
- to preserve, hold, manage, and maximize the assets of the Trust for use in paying and satisfying Claims;
- to use the Trust's assets and income to pay holders of all Claims in accordance with the Trust Agreement and the TDP in such a way that such holders of Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims, and
- 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 April 2, 2018, following the March 30, 2018, 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 Geo. V. Hamilton, Inc. Asbestos Trust.

Pursuant to the Plan, GVH paid $4,623,924 (KeyBank deposits) and $3,392,217 (all cash held in the Geo. V. Hamilton Inc. 468B Qualified Settlement Fund) for a total cash contribution of $8,016,141, at formation of the Trust. In addition, The Trust received a cash contribution in the amount of $175,000 from the estate of a former director, officer and shareholder of the debtor. GVH also transferred its rights under insurance policies to the Trust, including $6,000,000 from a certain insurer. The Trust also transferred marketable securities with a value of $277,211 on the date of contribution to the Trust. Finally, GVH transferred rights under the Excess Cash Flow and Pledge Agreement (see Note 3).

Note 1 - Nature of Trust – (Continued)

Description of Trust - continued

The Trust is governed by a Trust Agreement and 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 five 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.

The Trust's assets consist primarily of cash and cash equivalents, investments in marketable securities, a certificate of deposit and an Excess Cash Flow and Pledge Agreement Receivable, which, with the earnings or losses on such investments, are intended to be totally 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 expenses of the Trust, on the one hand, and total assets and net earnings or losses on the other. The Trust began accepting Claims on January 7, 2019 and began to pay claims in September 2019. The initial payment percentage has been set at 15% and is subject to periodic review and adjustment, in accordance with the Trust Agreement and the TDP. In accordance with Section 7.3 of the TDP, the Trust established two installment payments on claims. Each payment will be 50% of the ALV times the current payment percentage. At this time, only the first 50% payment will be distributed. At a later date, and once more data is available, the Trustee, along with the Trust Advisory Committee ("TAC") and the Future Claims Representative ("FCR"), will consider whether and when to pay the second installment, and the amount of supplemental payments. At that time, the Trust would also undertake a full analysis of the payment percentage. Effective January 1, 2020, the Trust shall increase scheduled values by 1% per annum. Any such increases shall be applicable to offers made following the dates of such increases. The Trustee is a fiduciary to the beneficiaries of the Trust and is 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 terminate on the date ("Dissolution Date") ninety (90) days after the first to occur of the following events:

- The date on which the Trustee decides to dissolve the Trust because (A) the Trustee deems it unlikely that any new asbestos claims will be filed against the Trust, (B) all asbestos claims duly filed with the Trust have been liquidated and paid to the extent provided in the Trust Agreement and TDP, or disallowed by a final, non-appealable order, to the extent possible based upon the funds available through the Plan and (C) twelve (12) consecutive months have elapsed during which no new asbestos claims have been filed with the Trust.

Note 1 - Nature of Trust – (Continued)

Termination - continued

- If the Trustee has procured and has 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 any rule against perpetuities shall be deemed applicable to the Trust, that date which is twenty-one (21) years less ninety-one (91) days after the death of the last survivor of all of the descendants of the late Joseph P. Kennedy, Sr., father of the late President John F. Kennedy, living on the date of the Trust agreement.

On the Dissolution Date or as soon as reasonably practicable, after the wind-up of the Trust's affairs by the Trustee 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 disorders and such charitable organizations should not have any relationship with GVH.

Following the dissolution and distribution of the assets of the Trust, the Trust shall terminate and the Trustee shall execute and file a Certificate of Cancellation.

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.

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

Basis of accounting – continued

- 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 GVH, insurance settlements, and the estate of a former director, officer and shareholder of the debtor 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 tax-deductible expenses of the Trust.

- At December 31, 2019, the liability for accrued payments to claimants reflected in the statement of net claimants' equity represents unpaid outstanding and accepted offers, respectively. Due to the limited liquidity of the Trust, the Trustee has determined, with the consent of the TAC and Future Claims Representative FCR, that payments to claimants shall be made in installments. The first installment will be 50% of the liquidated value of the claim times the initial payment percentage. No accrual has been recorded for second installment and 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.

- At December 31, 2019, the Trust's investments in marketable debt securities are considered as available for sale. At December 31, 2018, the Trust's investments in marketable equity and debt securities were 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, custody fees and bond amortization on the accompanying statement of changes in net claimants' equity. Under GAAP, 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).

- As described in Note 3, the Excess Cash Flow and Pledge Agreement receivable is recorded based on the minimum amounts provided for in the agreement and no provision for potential uncollectible receivables has been recorded. This receivable has not been discounted to estimated present value.

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GEO. V. HAMILTON, INC. ASBESTOS TRUST

Notes to Special-Purpose Financial Statements

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 from net claimants' equity during the reporting periods. Significant items subject to such estimates and assumptions include the carrying value of financial instruments, collectability of the Excess Cash Flow and Pledge Agreement receivable, 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, Excess Cash Flow and Pledge Agreement receivable, accrued interest and dividend income, investments in marketable securities, a certificate of deposit, and accrued expenses and payments to claimants. The carrying amount of cash and cash equivalents, accrued interest and dividend income, and accrued expenses approximate their fair values based on their short-term nature. The carrying amount of marketable securities and certificate of deposit is based on fair value. The carrying amount of the Excess Cash Flow and Pledge Agreement receivable and payments to claimants approximates fair value based on management's estimates.

Cash and cash equivalents

The Trust considers all highly liquid debt instruments purchased with an original maturity value of three months or less to be cash equivalents.

Cash and cash equivalents at December 31, 2019 and 2018, are as follows:

	2019	2018
Money market funds		
Goldman Sachs Financial Square		
Government Fund	$ 1,407,800	$ -
TD Bank NA and Citi Bank NA	-	853,182
Filing fee account	718	-
Total	$ 1,408,518	$ 853,182

GEO. V. HAMILTON, INC. ASBESTOS TRUST

Notes to Special-Purpose Financial Statements

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

Cash and cash equivalents - continued

At December 31, 2019, restricted cash represents filing fees received from claimants, which will be refunded if the claim is accepted and retained by the Trust if the claim does not qualify for payment.

Concentrations of credit risk

Financial instruments, which potentially subject the Trust to concentrations of credit risk, consist primarily of cash and cash equivalents, investments in marketable securities, a certificate of deposit, and the Excess Cash Flow and Pledge Agreement receivable. 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 or risk associated with investments, it is at least reasonably possible that significant 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.

Investments in marketable securities and related income

Investments in marketable securities are reported at fair value in the special-purpose statement of net claimants' equity and changes in the fair value of investments, as well as realized and unrealized gains and losses are included in net gain or loss on investments in marketable securities, net of management fees, custody fees and bond amortization reported in the special-purpose statement of changes in net claimants' equity. Purchases and sales of marketable securities are recorded on the trade date.

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.

Claims processing deposits

Claims processing deposits represent filing fees collected for each unliquidated claim, which will be refunded by the Trust if the claim is paid.

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

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.

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 enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is established when it is likely that the deferred tax assets may not 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 GVH, insurance settlements and the former director, officer and shareholder of the Debtor and distributions paid to settle asbestos claims are not taxable or deductible by the Trust.

The Trustee's 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 Trustee's 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 assets or liabilities for unrecognized tax benefits or expenses.

Subsequent events

The Trust has evaluated events and transactions subsequent to the date of the financial statements for matters requiring recognition or disclosure in the special-purpose financial statements. The accompanying special-purpose financial statements consider events through April 22, 2020, the date on which the financial statements were available to be issued. See Note 1, 5 and 7.

Note 3 - Excess Cash Flow and Pledge Agreement Receivable

Effective March 30, 2018, GVH, the Trust, and Michael E. Wallace ("Pledgor"), executed an Excess Cash Flow and Pledge Agreement ("Agreement"). The Pledgor is the registered owner of 100% of the issued and outstanding common stock of GVH.

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Note 3 - Excess Cash Flow and Pledge Agreement Receivable – (Continued)

Under terms of the Agreement, GVH shall make seven consecutive cash payments to the Trust on the first business day of March, commencing in March 2019 and continuing until March 2025, in an amount equal to 100% of Excess Cash Flow of GVH, as defined in the Agreement, from the immediately preceding fiscal year, if any, until the total payments to the Trust equal $9,000,000, the Minimum Funding Commitment ("MFC"). If GVH pays the MFC to the Trust in cash and in full prior to the March 2025 payment, GVH shall continue to make annual cash payments to the Trust above the MFC, as defined in the agreement, but not to exceed $3,000,000 or extend beyond the March 2025 payment date.

As security under the Agreement the Pledgor assigned as collateral certain shares of GVH. As certain payment milestones are reached, the Trust will release its security interest in the shares.

During 2019, the Trust received cash payments of $2,000,000.

Note 4 - Investments in Marketable Securities and Certificate of Deposit

Fair value measurements

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:

Level I – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments in Level I include a certificate of deposit, mutual funds and listed equity securities.

Level II – Pricing inputs are other than quoted market prices included in Level I, however, are observable indirectly for the investment. The Trust includes its municipal bonds in Level II, because these pricing inputs are indirectly evident through interest rates for commonly quoted credit risks.

Level III – 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.

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GEO. V. HAMILTON, INC. ASBESTOS TRUST

Notes to Special-Purpose Financial Statements

Note 4 - Investments in Marketable Securities and Certificate of Deposit – (Continued)

Fair value measurements - continued

The valuations of the Trust's investments in marketable securities and certificate of deposit by the above fair value hierarchy levels and the corresponding cost of the investments as of December 31, 2019 and 2018 are as follows:

	(Audited) December 31, 2019			
	Level	Market Value	Cost	Unrealized Gains (Losses)
Certificate of deposit	**1**	**$ 256,454**	**$ 256,454**	**$ -**
Equity securities				
Mutual funds	**1**	**3,388,668**	**3,070,827**	**317,841**
Common stocks	**1**	**259,761**	**277,211**	**(17,450)**
Total equity securities		**3,648,429**	**3,348,038**	**300,391**
Municipal bonds	**2**	**10,583,727**	**10,104,009**	**479,718**
Total		**$ 14,488,610**	**$ 13,708,501**	**$ 780,109**

	(Compiled) December 31, 2018			
	Level	Market Value	Cost	Unrealized Gains (Losses)
Certificate of deposit	1	$ 251,166	$ 251,166	$ -
Equity securities				
Mutual funds	1	2,643,019	3,130,868	(487,849)
Common stocks	1	238,590	277,211	(38,621)
Total equity securities		2,881,609	3,408,079	(526,470)
Municipal bonds	2	9,900,121	9,818,285	81,836
Total		$ 13,032,896	$ 13,477,530	$ (444,634)

GEO. V. HAMILTON, INC. ASBESTOS TRUST

Notes to Special-Purpose Financial Statements

Note 4 - Investments in Marketable Securities and Certificate of Deposit – (Continued)

Maturities of the Trust's debt securities at December 31, 2019 are as follows:

	Level	Market Value	Cost	Unrealized Gains (Losses)
Due in one year or less	2	$ 586,145	$ 588,875	$ (2,730)
Due after one year through five years	2	2,214,085	2,172,050	42,035
Due after five years through ten years	2	6,762,738	6,381,654	381,084
Due after ten years through twenty years	2	837,549	786,728	50,821
Due after twenty years	2	183,210	174,702	8,508
Total		$ 10,583,727	$ 10,104,009	$ 479,718

Investment income

The net gain or loss on investments in marketable securities is calculated as follows for the year ended December 31, 2019 and for the period April 2, 2018 (date of formation) to December 31, 2018:

	2019 (Audited)	2018 (Compiled)
Realized loss	$ **(111,240)**	$ (497)
Unrealized gains (losses)	**1,224,743**	(444,634)
Management fees	**(19,180)**	(11,145)
Custody fees	**(5,858)**	-
Bond amortization	**(113,388)**	(88,832)
Gain (loss) on investments	$ **975,077**	$ (545,108)

Note 5 - Taxation

The Trust reports its income to the Internal Revenue Service as a designated settlement fund which is taxed at the highest rate applicable to trusts under Section 1(e) of the Code, which is 37% for the year ended December 31, 2019 and for the period April 2, 2018 (date of formation) to December 31, 2018. Net operating loss ("NOL") carryforwards will be limited to a reduction of 80% of modified taxable income without expiration.

GEO. V. HAMILTON, INC. ASBESTOS TRUST

Notes to Special-Purpose Financial Statements

Note 5 - Taxation – (Continued)

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted into law. The CARES Act has a number of changes to U.S. tax laws which includes temporarily repealing certain provisions of tax years beginning before 2021 related to taxable income limitations for NOLs to fully offset taxable income, and NOLs arising in 2018, 2019 and 2020 can be carried back five tax years.

The Trust's federal income tax expense for the year ended December 31, 2019 and for the period April 2, 2018 (date of formation) to December 31, 2018, is calculated as follows:

		2019		2018
		(Audited)		(Compiled)
Modified taxable loss	$	**(233,874)**	$	(107,994)
Tax rate		**37.0%**		37.0%
Federal income tax benefit		**(86,533)**		(39,958)
Deferred federal income tax expense (benefit)		**419,156**		(164,515)
Change in valuation allowance		**(204,473)**		204,473
Net income tax expense	$	**128,150**	$	**-**

Temporary differences between financial reporting income and taxable income generate deferred tax assets and liabilities, as follows, as of December 31, 2019, and 2018:

		2019		2018
		(Audited)		(Compiled)
Net operating loss carryforward	$	**126,491**	$	39,958
Capital loss carryforward		**33,999**		-
Unrealized (gain) loss on investments		**(288,640)**		164,515
Valuation allowance		**-**		(204,473)
Net deferred tax liability	$	**(128,150)**	$	-

At December 31, 2019 and 2018, respectively, the Trust had approximately $341,800 and $107,900 of net operating loss carryforwards with no expiration date. The amount of income taxes the Trust pays is subject to ongoing audits by federal authorities.

Geo. V. Hamilton Asbestos Trust Annual Reports, 2019 annual report Published by AsbestosClaims.Law
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Note 6 - Trust Advisory Committee and Future Claims Representative

The Trust Agreement sets forth the role and responsibility of the TAC and the FCR. The members of the TAC serve in a fiduciary capacity representing all holders of present Asbestos Claims ("Current Claimants"). The Trustee is 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 five attorneys who are engaged by Current Claimants.

The FCR 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 Trustee is required to consult with or obtain the consent of FCR on certain matters identified in the Trust Agreement and the TDP.

Note 7 - Subsequent Events

The global outbreak of coronavirus disease 2019 ("COVID-19") presents various global risks. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Management of the Trust is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, vendors, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Trust is not able to estimate the effects, if any, of the COVID-19 outbreak on its results of operations and financial condition.

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EXHIBIT B

Geo. V. Hamilton, Inc. Asbestos Trust

Report of Compensation and Expense Reimbursement
(January 1, 2019 to December 31, 2019)

	Compensation	Expense Reimbursement	Total
Alan B. Rich (Trustee)	$60,125	$18	$60,143
Trust Advisory Committee Members	$-0-	$-0-	$-0-
Trust Advisory Committee Members - Counsel	$12,942	$13	$12,955
Future Asbestos Claimants' Representative	$13,838	$-0-	$13,838
Future Asbestos Claimants' Representative – Counsel	$-0-	$-0-	$-0-
Future Asbestos Claimants' Representative - Consultants	$-0-	$-0-	$-0-

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re:	)	Chapter 11
	)	
GEO. V. HAMILTON, INC.	)	Case No. 15-23704-GLT
	)	
Reorganized Debtor.	)	Doc. No. ____

CERTIFICATE OF SERVICE

I certify under penalty of perjury that on April 29, 2020, the Notice of Filing of Annual Report and Account filed by the Geo. V. Hamilton, Inc. Asbestos Trust for Fiscal Year Ending December 31, 2019 was served on the parties below by electronic mail as shown:

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Office of the United States Trustee
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Dated: April 29, 2020

Respectfully submitted,

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Counsel to the Trust