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

U.S. BANKRUPTCY COURT
FILED
NEWARK, NJ
2023 MAY -3 A 11: 11
JEANNE A. NAUGHTON
BY: DEPUTY CLERK

In re:	)	
	)	Chapter 11
HERCULES CHEMICAL COMPANY, INC.	)	
	)	Case No. 08-27822 (MS)
Reorganized Debtor.	)	

NOTICE OF FILING ANNUAL REPORT AND CLAIMS SUMMARY

The Hercules Chemical Company, Inc. Asbestos Trust (the "Trust") hereby files its Annual Report and Claims Summary for the fiscal year ending December 31, 2021. The Annual Report is attached hereto as Exhibit 1.

Pursuant to the provisions of the Hercules Chemical Company, Inc. Asbestos Trust Agreement, the Trust is providing copies of the Annual Report and Claim Summary to the Reorganized Debtor, the Trust Advisory Committee, the Legal Representative and the United States Trustee.

Date: May 2, 2022

CAMPBELL & LEVINE, LLC

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Counsel to the Hercules Chemical Company, Inc. Asbestos Trust

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EXHIBIT 1

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

In re:	)	
	)	Chapter 11
HERCULES CHEMICAL COMPANY, INC.	)	
	)	Case No. 08-27822 (MS)
Reorganized Debtor.	)	

ANNUAL REPORT AND CLAIMS SUMMARY OF THE HERCULES CHEMICAL COMPANY, INC. ASBESTOS TRUST FOR THE FISCAL YEAR ENDING DECEMBER 31, 2021

Michael F. Rooney, the Trustee of the Hercules Chemical Company, Inc. Asbestos Trust (the "Trust"), created pursuant to the First Amended Chapter 11 Plan of Reorganization for Hercules Chemical Company, Inc., dated as of October 13, 2009, as amended or modified (the "Plan") submits this Annual Report and Claims Summary for the fiscal year ended December 31, 2021.[1]

I. INTRODUCTION

The purpose of this Annual Report is to comply with the reporting requirements of the Hercules Chemical Company, Inc. Asbestos Trust Agreement (the "Trust Agreement") and to report to the Court on the actions taken by the Trustee on behalf of the Trust during the period January 1, 2021 to December 31, 2021 (the "Reporting Period").

Section 2.2(b) 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 Trust (including without limitation a balance sheet of the 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

[1] Capitalized terms not otherwise provided herein shall have the meaning ascribed to them in the Plan.

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available for the payment of Trust Claims and as to the conformity of the financial statements with generally accepted accounting principles. The Trustee shall provide a copy of such report to the Debtor, the TAC and the Legal Representative when such reports are filed with the Bankruptcy Court.

(ii) Simultaneously with the delivery of each set of financial statements referred to in Section 2.2(b)(i) above, the Trustee shall cause to be prepared and filed with the Bankruptcy Court a report containing a summary regarding the number and type of Trust Claims disposed of during the period covered by the financial statements. The Trustee shall provide a copy of such report to the Debtor, the TAC and the Legal Representative 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 United States Trustee.

The Trust Agreement further provides for the inclusion of a description of the amounts paid to the Trustee, members of the Trust Advisory Committee ("TAC"), and the Legal Representative in the accounts filed with the Bankruptcy Court. See Sections 5.5(c), 6.6, and 7.6 of the Trust Agreement.

II. BACKGROUND

On August 22, 2008, Hercules Chemical Company, Inc. (the "Debtor") filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Western District of Pennsylvania. By Order dated September 17, 2008, the case was transferred to the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court"). On December 22, 2009, the Bankruptcy Court entered a Report and Recommendation for Entry of: (A) Findings of Fact and Conclusions of Law with Respect to the First Amended Chapter 11 Plan of Reorganization for Hercules Chemical Company, Inc., and (B) Confirmation Order. On January 6, 2010, the United States District Court for the District of New Jersey entered an order confirming the Plan. On February 9, 2010 (the "Effective Date"), the Plan became effective and the Trustee began to operate the Trust.

Article V, Paragraph 5.1 and Article 11, Section 11.1 of the Plan provide for the funding of the Trust. The purpose of the Asbestos Trust is to (a) assume all liability for all Trust Claims, (b) preserve, hold, manage and maximize the Asbestos Trust Assets for use in paying and otherwise satisfying Trust Claims and paying the Asbestos Trust Expenses, (c) provide for the allowance or disallowance and, if appropriate, satisfaction of all Trust Claims in accordance with the Trust Distribution Procedures, and (d) otherwise comply in all respects with the requirements of a trust set forth in § 524(g)(2)(B) of the Bankruptcy Code, all in accordance with the Plan and the Trust Agreement. See Section 1.2 of the Trust Agreement.

III. TRUST ADMINISTRATION

A. Trustee

Michael F. Rooney served as the Trustee of the Trust during the Reporting Period.

1. Meetings

During the Reporting Period, the Trustee held meetings with the TAC and FCR. Each meeting was telephonic and was attended by the Legal Representative and at least a quorum of the TAC. In addition to these meetings, the Trustee conducted telephonic meetings with advisors and counsel for such purposes as addressing Trust policies and claims processing matters and devoted considerable time to Trust matters outside of scheduled meetings. Activities included the pursuit of insurance rights, monitoring trust assets with investment managers, exercising oversight over the investment of Trust assets through discussions with the Trust's investment managers, communicating with claimants or their counsel regarding the processing of claims and the continual monitoring of the claims and investment processes.

2. Compensation

The compensation and expenses paid to the Trustee during the Reporting Period will be set forth in the Trust's financial statements, to be provided through a supplemental filing. The inclusion of this information in the Trust's financial statements satisfies the requirements of Section 5.5(c) of the Trust Agreement. All payments related to Trustee compensation and expense reimbursements were made in accordance with the Trust Agreement.

B. Trust Advisory Committee

Deirdre Pacheco, Bruce E. Mattock and Matthew Blaustein served the members of the TAC during the Reporting Period.

No compensation was paid to the members of the TAC during the Reporting Period.

C. Legal Representative

Gary Nelson served as the Legal Representative (the "Legal Representative") during the Reporting Period. The amount paid to the Legal Representative during the Reporting Period, for services rendered during telephonic Trust meetings and related services, was $0. This information statement satisfies the requirements of Section 7.6 of the Trust Agreement. All distributions related to Legal Representative compensation and expense reimbursements were made in accordance with the Trust Agreement.

D. Claims Processing

MFR Claims Processing, Inc. ("MFR Claims") processed the Trust's claims during the reporting period.

E. Investment Management

During the Reporting Period, Wilmington Trust Company served as the Trust's investment management advisory firm. During the Reporting Period, the Trustee monitored the investments

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on a continual basis. The Trust's invested assets are allocated in compliance with the Trust's investment guidelines.

F. General Counsel

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

G. Insurance Coverage Matters

Prior to the effective date of the Plan, Hercules Chemical Company, Inc. ("Hercules") reached settlement agreements with many, but not all, of its historical insurance companies with respect to coverage for Hercules's asbestos-related claims. Upon the effective date, pursuant to the Plan, the Trust received the right to pursue and receive the benefits and proceeds of the Asbestos Insurance Policies, which includes coverage under certain of Hercules's historical insurance policies.

In 2011, the Trust entered into an agreement to sell an allowed claim against an insolvent insurance company. Pursuant to the agreement, the Trust received $2,501,250 in January 2012.

In 2016, the Trust entered into a settlement agreement with one insurance company and received payment of $46,219. The Trust may receive an additional payment(s) in the future.

In 2019, the Trust received a supplemental payment from one insurance company in the amount of $9,243.80.

In 2020, the Trust received a payment from one insurance company in the amount of $550,000.

In 2021, the Trust did not receive any insurance payments.

The Trust has continued settlement efforts with an insurance company concerning coverage for Hercules's asbestos-related claims. The Trust is continuing to pursue coverage as of the date

of this report. The Trust also had communications with certain excess insurers. Gilbert LLP is counsel to the Trust in connection with those efforts.

IV. ANNUAL REPORT AND ACCOUNT

A. Summary of Claims:

Following the formation of the Trust, the Trustee obtained the requisite consent of the Legal Representative and the TAC Members on the form of the releases and the Claims Materials, as well as the Payment Percentage. Thereafter, the Trust distributed the release agreement for Pre-Petition Liquidated Claims to counsel to the holders of those claims. The Trust began to accept Unliquidated Trust Claims on May 8, 2011.

a. Since Inception of Trust

As of December 31, 2021, the Trust had received nine executed releases for Pre-Petition Liquidated Trust Claims, of a total fifty-three Pre-Petition Liquidated Trust Claims pending. As of December 31, 2021, the Trust paid nine for Pre-Petition Liquidated Trust Claims, totaling $85,010.57.

As of December 31, 2021, the Trust had received 8,968 Unliquidated Trust Claims and had paid a total of 1,641 claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $6,046,400 to asbestos victims in settlement of their Unliquidated Trust Claims.

b. During the Reporting Period

During the Reporting Period, the Trust received 1,211 Unliquidated Trust Claims and paid a total of 209 claims. After application of the payment percentage and applicable sequencing adjustments, the Trust paid approximately $534,605 to asbestos victims in settlement of their

Unliquidated Trust Claims during the Reporting Period. A summary of the claims processed and paid by disease category is attached hereto as Exhibit "A."

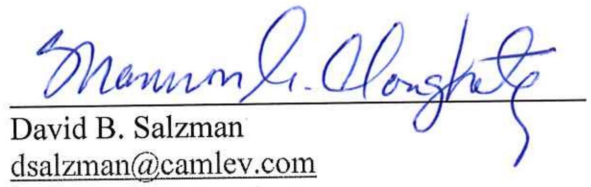
During the Reporting Period, there was change in the Payment Percentage to 2.87%.

B. Financial Information

The Trust's audited financial statements for the Reporting Period will be provided through a supplemental filing upon receipt. The financial statements were audited by Sklar Carmosin & Company, Certified Public Accountants.

Date: May 2, 2022

CAMPBELL & LEVINE, LLC



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Counsel to the Hercules Chemical Company, Inc. Asbestos Trust

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HERCULES CHEMICAL COMPANY, INC.	)	
	)	Case No. 08-27822 (MS)
Debtor.	)	

CERTIFICATE OF SERVICE

I, Shannon M. Clougherty, of Campbell & Levine, LLC, hereby certify that on May 2, 2022, I caused a copy of the *Notice of Filing of Annual Report and Claims Summary* to be served upon the attached service list in the manner indicated.

CAMPBELL & LEVINE, LLC

Dated: May 2, 2022

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Hercules Annual Report
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2023 MAY -3 A 11:12
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