IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
J T THORPE COMPANY,	§	**Case No. 02-41487-H5-11**
	§	**(Chapter 11)**
Debtor.	§	

NOTICE OF FILING AUDITED ANNUAL REPORT AND CLAIMS SUMMARY

The J T Thorpe Company Successor Trust (the "Trust") hereby files its Audited Annual Report for the fiscal year ending December 31, 2020, attached hereto as Exhibit A, and a summary of the claims disposed of during the period covered by the Audited Annual Report (the "Claims Summary"), attached hereto as Exhibit B.

Pursuant to the provisions of the J T Thorpe Company Successor Trust Agreement, the Trust is providing copies of the Audited Annual Report and the Claims Summary to the Trust Advisory Committee, the Legal Representative and the reorganized debtor.

Dated: April 20, 2021
Dallas, Texas

Respectfully submitted by:

/s/ Briana L. Cioni

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Counsel for the J T Thorpe Company Successor Trust

CERTIFICATE OF SERVICE

I hereby certify that on the 20th day of April, 2021, I served a true and correct copy of the foregoing Notice of Filing Audited Annual and Claims Summary and Exhibits A and B thereto by electronic mail on the members of the Trust Advisory Committee (Steven T. Baron, Russell Budd, Ann Harper, Bryan O. Blevins, Jr.), the Legal Representative (Richard B. Schiro) and by United States mail, postage prepaid, to the Reorganized Debtor, J T Thorpe Company, Attn: Mr. Richard Nowland, 6833 Kirbyville Avenue, Houston, Texas 77033.

/s/ Briana L. Cioni

EXHIBIT A

J T Thorpe Company Successor Trust

Special-Purpose Financial Statements
Years Ended December 31, 2020 and 2019

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

BDO

J T Thorpe Company Successor Trust

Special-Purpose Financial Statements
Years Ended December 31, 2020 and 2019

J T Thorpe Company Successor Trust

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Independent Auditor's Report

To the Board of Trustees
J T Thorpe Company Successor Trust
Dallas, Texas

Opinion

We have audited the accompanying special-purpose statements of assets, liabilities and net claimants' equity of J T Thorpe Company Successor Trust ("Trust") (a Trust created under the laws of the State of Texas) as of December 31, 2020 and 2019, and the related special-purpose statements of changes in net claimants' equity and special-purpose statements of cash flows and investment securities for the years then ended, and the related notes to the special-purpose financial statements.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the financial position of J T Thorpe Company Successor Trust as of December 31, 2020 and 2019, and changes to the net claimants' equity and its cash flows and investment securities for the years then ended in conformity with the special-purpose basis of accounting described in Note 2 to the special-purpose financial statements.

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting

As described in Note 2 to the special-purpose financial statements, these special-purpose financial statements were 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 communicate the amount of net assets presently available for current and future claimants of the Trust.

Responsibilities of Management for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with the special-purpose basis of accounting described in Note 2 to the special-purpose financial statements; including 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 fraud or error.

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BDO is the brand name for the BDO network and for each of the BDO Member Firms.

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of these special-purpose financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in these special-purpose financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of these special-purpose financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

Restriction on Use

This report is intended solely for the information and use of the management of the Trust, the Trustees, the Trustees' Advisory Committee, the beneficiaries of the Trust, and the United States Bankruptcy Court for the Southern District of Texas, Houston Division, and is not intended to be and should not be used by anyone other than these specified parties.

BDO USA, LLP

April 14, 2021
Dallas, Texas

J T Thorpe Company Successor Trust

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

December 31,	2020	2019
Assets		
Cash and cash equivalents	$ 2,623,429	$ 1,341,511
Investment securities, at fair value	77,136,421	78,723,784
Accrued interest and dividends receivable	481,533	511,628
Prepaid taxes	812,260	812,260
Total assets	81,053,643	81,389,183
Liabilities		
Accrued expenses and accounts payable	45,644	30,405
Net claimants' equity	$ 81,007,999	$ 81,358,778

See accompanying notes to special-purpose financial statements.

J T Thorpe Company Successor Trust

Special-Purpose Statements of Changes in Net Claimants' Equity

For the Year Ended December 31,	2020	2019
Additions		
Investment income	$ 2,520,266	$ 1,606,902
Net realized gain on sale of investment securities	470,322	973,576
Net unrealized appreciation in fair value on investment securities	3,573,418	8,902,240
Total additions	6,564,006	11,482,718
Deductions		
Operating expenses	1,188,292	1,037,893
Bond amortization expense	622,383	617,669
Total deductions	1,810,675	1,655,562
Net increase in net claimants' equity	4,753,331	9,827,156
Net claimants' equity, beginning of the year	81,358,778	78,143,634
Insurance recoveries	-	949,998
Distributions from net claimants' equity	(5,104,110)	(7,562,010)
Net claimants' equity, end of the year	$ 81,007,999	$ 81,358,778

See accompanying notes to special-purpose financial statements.

J T Thorpe Company Successor Trust

Special-Purpose Statements of Cash Flows and Investment Securities

For the Year Ended December 31,	2020	2019
Cash inflows		
Investment income receipts	$ 2,550,361	$ 1,630,597
Insurance recoveries	-	949,998
Net realized gains on sale of investment securities	470,322	973,576
Total cash inflows	3,020,683	3,554,171
Cash outflows		
Distributions to claimants	5,104,110	7,562,010
Operating expenses paid	1,173,053	1,141,262
Total cash outflows	6,277,163	8,703,272
Net cash outflows	(3,256,480)	(5,149,101)
Non-cash changes		
Bond amortization expense	(622,383)	(617,669)
Net unrealized appreciation on investment securities	3,573,418	8,902,240
Net increase (decrease) in cash and cash equivalents and investment securities	(305,445)	3,135,470
Cash and cash equivalents and investment securities, beginning of year	80,065,295	76,929,825
Cash and cash equivalents and investment securities, end of year	$ 79,759,850	$ 80,065,295

See accompanying notes to special-purpose financial statements.

1. Description of the Trust

General

J T Thorpe Company Successor Trust (the "Trust") was established on April 21, 2004 (the "Effective Date") pursuant to the J T Thorpe Company Plan of Reorganization (the "Plan").

Purpose

The primary purposes of the Trust are as follows:

- To direct the litigation, resolution, payment and satisfaction of all asbestos injury claims in accordance with the Plan and the J T Thorpe Company Asbestos Claims Resolution Procedures (the "CRP");
- To preserve, hold, manage and maximize the Trust's assets for use in paying and satisfying allowed asbestos injury claims and allowed unsecured claims;
- To prosecute, settle and manage the disposition of the in-place insurance coverage; and
- To prosecute, settle and manage asbestos insurance actions.

The Trustees, with the consent and approval of the Trustees' Advisory Committee (the "TAC") and the Legal Representative, have established claims resolution procedures that are to provide for the allowance and payment or disallowance of Class 7 Unsecured Asbestos Claims (as defined by the Plan). In furtherance of this purpose, the Trustees are responsible for supervising and administering the claims resolution procedures set forth in the CRP in such a way that all holders of similar Asbestos Claims are treated in a substantially equivalent manner and to otherwise comply in all respects with the requirements of a trust set forth in section 524(g)(2)(B)(i) of the Bankruptcy Code. Also in furtherance of its purpose, the Trustees are to hold, manage and liquidate the Trust's assets.

Funding of the Trust

The Trust assumed the liabilities of J T Thorpe Company with respect to all known asbestos injury claims and all unknown asbestos injury claims on the Effective Date. The Trust was initially funded by the following:

- Promissory notes for $2,300,000, funded by the Reorganized J T Thorpe Company and Thorpe Corporation (the "Obligors") on the Effective Date, and by the obligations of the Obligors to make future payments in respect to the Promissory Notes;
- Proceeds received pursuant to the terms of asbestos insurance action recoveries, asbestos in-place insurance coverage, asbestos insurance settlement agreements and asbestos insurance policies; and
- Assets transferred from the J T Thorpe Company Payment Trust, net of liabilities.

Trustees of the Trust

The Trustees are to act as fiduciaries to the Trust in accordance with the provisions of the Successor Trust Agreement and the Plan. There are three trustees at all times, other than during a vacancy in the position of Trustee and other circumstances as defined in Article 5.01 of the J T Thorpe Successor Trust Agreement (the "Trust Agreement").

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Trustees' Advisory Committee and Legal Representative

The TAC, which consists of three voting members, represents all holders of asbestos injury claims, excluding unknown asbestos claimants. Neither the TAC nor its members serve in a fiduciary capacity or owe fiduciary duties to holders of asbestos injury claims. The Legal Representative serves in a fiduciary capacity, representing the interests of unknown asbestos injury claimants, for the purpose of protecting the rights of persons that might subsequently assert asbestos injury claims. The TAC, together with the Legal Representative, participates with the Trustees in the implementation of the CRP by providing consultation with respect to critical issues affecting the Trust. Additionally, the Plan and the CRP provide for instances in which consent of the TAC and the Legal Representative must be obtained by the Trustees before implementing certain actions.

Claims Resolution Procedures

The CRP was adopted in connection with the Plan, the disclosure statement and the Trust Agreement. The CRP is designed to provide a prompt determination and payment of unsecured asbestos claims and provide reasonable assurance that the Trust will value, and be in a financial position to pay, similar unsecured claims that may arise in the future in substantially the same manner. Pursuant to the Plan and the Trust Agreement, the CRP will be administered by the Trustees in consultation with the TAC, and the Legal Representative.

Payment Sum Percentage

The CRP provides that, to seek to insure substantially equal treatment of all uncovered asbestos claims, the Trustees must determine, with the consent of the TAC and the Legal Representative, the percentage of the full liquidated value that will be paid to holders of unsecured asbestos claims (the "Payment Percentage"). Based on their experts' initial recommendation, the Trustees determined that the Payment Percentage should initially be set at 18.5%. The TAC and the Legal Representative consented to the setting of the Payment Percentage at 18.5%. By order dated November 18, 2005, the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") granted the Motion for Approval of the Payment Percentage applicable to asbestos claims processed by the J T Thorpe Company Successor Trust filed by the Trustees and ordered the Payment Percentage set at 18.5%.

In November 2007, the Trustees requested that Analysis, Research & Planning Corporation ("ARPC") provide an updated claims study. As a result of ARPC's updated claims study, in December 2007, the Trustees unanimously voted, with the unanimous consent of the TAC and Legal Representative, to raise the Payment Percentage to 38%.

In September 2009, the Trustees requested that Legal Analysis Systems, Inc. ("LAS") provide an updated claims study. As a result of LAS's updated claims study, in December 2009, the Trustees unanimously voted, with the unanimous consent of the TAC and Legal Representative, to raise the Payment Percentage to 57%.
In 2012, ARPC provided an updated claims study. As a result of that study the Payment Percentage remained at 57%.

In 2016, the Trustees requested ARPC provide an updated claims study. In May 2016, the Trustees unanimously voted, with the unanimous consent of the TAC and Legal Representative, to lower the Payment Percentage to 33%.

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In 2018, the Trustees requested Ankura (fka ARPC) provide an updated claims study. In May 2018, the Trustees unanimously voted, with the unanimous consent of the TAC and Legal Representative, to lower the Payment Percentage to 23%.

Trust Termination

The Trust automatically terminates on the date (the "Termination Date") ninety days after the first to occur of the following events:

- All asbestos injury claims duly filed with the Trust have been liquidated and settled or otherwise resolved, and twelve consecutive months have elapsed during which no new asbestos injury claim has 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 this Trust and the CRP, the date on which the Bankruptcy Court enters an order approving such insurance and other arrangements;
- If in the judgment of two-thirds of the Trustees, with the consent of the TAC and the Legal Representative, which consent shall not be unreasonably withheld, that the continued administration of the Trust is uneconomic or adverse to the best interests of the persons holding asbestos injury claims; or
- Twenty-one years less ninety-one days after the death of the last survivor of all the descendants of George Herbert Walker Bush living on the date April 21, 2004.

COVID-19 Consideration

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

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Trust's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity and operations. 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 of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021 and beyond.

2. Significant Accounting Policies

Basis of presentation

The Trust's financial statements are prepared using special-purpose basis of accounting adopted by the Trustees, which differ from accounting principles generally accepted in the United States of America (GAAP). The special-purpose basis of accounting was adopted in order to communicate to the beneficiaries of the Trust the net claimants' equity and the related operating expenses of the

Trust. Since the accompanying financial statements and transactions are not based upon GAAP, accounting treatment by other parties for these same transactions may differ as to timing and amount. The special-purpose accounting methods include the following:

a. The funding received from JT Thorpe Company was recorded as contributions directly to net claimants' equity. These funds do not represent additions to the changes in net claimants' equity for the period. Under GAAP these funds would be recorded as income to the Trust in the period that the funds were assigned to the Trust, could be reasonably estimated, and collectability was assured.

b. Insurance recoveries are recorded when the related policies are settled, and collectability is assured from the insurance carriers. These recoveries come from various insurance settlements, which were obtained by the Trust and related entities and assigned to the Trust or were negotiated by the Trust. Any future insurance recoveries received will be recorded as an addition to net claimants' equity. Under GAAP these funds would be recorded as income to the Trust in the period that the funds were received.

c. Investments are recorded at fair value. The net appreciation or depreciation in fair value of investments recorded in the accompanying special-purpose statements of changes in net claimants' equity consist of the net changes in unrealized gains or losses on investments held. Gain or loss on sale of investments is recorded in the accompanying special-purpose statements of changes in net claimants' equity as net realized gains or losses. All interest and dividend income are included in investment income in the accompanying special-purpose statements of changes in net claimants' equity.

d. The claim distributions are treated as a reduction to net claimants' equity in the period in which the confirmed claims are settled. A settled claim is a claim that has been accepted by the claimant and allowed by the Trust. Claim payments are recorded as distributions to claimants and are deducted directly from net claimants' equity. Under GAAP, a liability would be recorded for an estimate of the amount to be paid for claims that have been incurred but not yet reported, and for those claims that have been submitted but not yet approved for payment by the Trust.

e. Payments for services to be received over an extended period in the future are expensed as paid because these amounts are no longer available for the payment of claims. Under GAAP, an asset would be recorded and amortized over the period in which the related benefits are received.

f. Payments for property and equipment are expensed as incurred. Under GAAP, payments for property and equipment are capitalized and depreciated over the estimated useful lives of the assets. To date, the Trust has made no payments related to purchases of property and equipment.

g. Income tax expense is estimated and recorded as incurred in the period in which certain income and expense items affect current federal income taxes payable. Income tax refunds are recorded when cash is received by the Trust. Under GAAP, the provision for income taxes is recorded based upon income reported for financial statement purposes. This would include federal and state income taxes currently payable and arising from changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities, such as unrealized gains and losses on investment securities.

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Use of estimates

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

Cash and cash equivalents

The Trust considers all highly liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2020 and 2019, certain cash balances held at financial institutions are in excess of Federal Deposit Insurance Corporation insurance limits. The Trust believes that its cash and cash equivalents are with high quality financial institutions. The Trust has never experienced any losses related to these balances.

Investment securities

Investment securities are stated at fair value. Fair values are based on quoted market prices for identical or similar instruments traded in active markets as of the date of the special-purpose financial statements with changes in unrealized appreciation and depreciation recorded in the current period. Investment income is recognized when earned. Realized gains and losses on sales are determined using the specific identification method.

A decline in the fair value of any investment security below cost that is deemed to be other-than-temporary results in an impairment to reduce the carrying amount to fair value. The impairment is charged to deductions and a new cost basis for the investment is established. To determine whether an impairment is other-than-temporary, the Trust considers whether it has the ability and intent to hold the investment until a market price recovery and considers whether evidence indicating the cost of the investment is recoverable outweighs evidence to the contrary. Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the impairment, changes in value subsequent to year-end, forecasted performance of the investee, and the general market condition in the geographic area or industry the investee operates in. There was no other-than-temporary impairment noted at December 31, 2020 and 2019.

Operating expenses

Operating expenses of the Trust are recorded as deductions on the statement of changes in net claimants' equity in the period in which the invoices are received and approved.

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3. Investment Securities

The Trust has recorded all its investment securities at fair value, as follows:

December 31, 2020	Amortized Cost	Net Unrealized Gains/ (Losses)	Estimated Fair Value
US treasury/government/agency securities	$ 32,995,876	$ 1,983,638	$ 34,979,514
Equity securities	16,698,516	8,972,593	25,671,109
Mutual funds	14,046,784	2,439,014	16,485,798
Total	$ 63,741,176	$ 13,395,245	$ 77,136,421

December 31, 2019	Amortized Cost	Net Unrealized Gains/ (Losses)	Estimated Fair Value
US treasury/government/agency securities	$ 34,904,800	$ 1,556,074	$ 36,460,874
Equity securities	20,337,591	6,288,233	26,625,824
Mutual funds	13,740,739	1,896,347	15,637,086
Total	$ 68,983,130	$ 9,740,654	$ 78,723,784

The contractual maturities of debt securities at December 31, 2020, were as follows:

Maturities	Amortized Cost	Fair Value
Due within one year	$ 1,894,583	$ 1,911,376
Due within two years	2,505,387	2,563,753
Due within three years	3,565,146	3,723,046
Due within four years	784,215	803,568
Due after four years	24,246,545	25,977,771
Total	$ 32,995,876	$ 34,979,514

The contractual maturities of debt securities at December 31, 2019, were as follows:

Maturities	Amortized Cost	Fair Value
Due within one year	$ 2,291,183	$ 2,303,033
Due within two years	142,164	143,124
Due within three years	1,199,682	1,211,091
Due within four years	1,208,413	1,241,082
Due after four years	30,063,358	31,562,544
Total	$ 34,904,800	$ 36,460,874

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4. Fair Value Measurements

The Financial Accounting Standard Board (FASB) Accounting Standard Codification (ASC) Topic 820, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. FASB ASC Topic 820 applies to other accounting pronouncements that require or permit fair value measurements; however, it does not require any new fair value measurements.

FASB ASC Topic 820 defines fair value as the exit price, which is the price that would be received to sell an asset or paid to transfer a liability in a transaction between market participants at the measurement date. FASB ASC Topic 820 establishes a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.
- Level 3 inputs are measured based on prices or valuation models that require inputs that are both significant to the fair value measurement and less observable from objective sources.

A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The following table provides the assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2020 and 2019:

December 31, 2020	Level 1	Level 2	Level 3	Total
Assets:				
Investment securities	$ 77,136,421	$ -	$ -	$ 77,136,421

December 31, 2019	Level 1	Level 2	Level 3	Total
Assets:				
Investment securities	$ 78,723,784	$ -	$ -	$ 78,723,784

The fair value of the Trust's invested assets in US equity securities, corporate bonds, mutual funds, foreign equity securities, other fixed income securities, exchange traded funds and US treasury, government and agency securities are based on quoted market prices from financial exchanges (Level 1). Quoted prices in active markets for identical assets are readily available for the short-term assets held by the Trust.

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5. Net Claimants' Equity

The Trust records settlements of insurance rights as recoveries are settled and collectability is assured from the insurance carriers. Any future insurance proceeds will be recorded directly as an increase to net claimants' equity.

For the years ended December 31, 2020 and 2019, the Trust recorded insurance recoveries of $0 and $949,998, respectively.

6. Distributions from Net Claimants' Equity

For the years ended December 31, 2020 and 2019, the Trust settled 1,945 and 3,883 claims totaling $5,104,110 and $7,562,010, respectively.

7. Taxation

The Trust reports its income to the Internal Revenue Service as a designated settlement fund, and as such, is subject to Federal income taxation.

The Trust's federal tax expense is calculated as follows:

Year Ended December 31,	2020	2019
Net taxable income (loss)	$ 228,763	$ (507,970)
Less: application of net operating loss carryforward	(228,763)	-
Net taxable income (loss) (after application of net operating loss carryforward)	-	(507,970)
Tax rate	37.0%	37.0%
	-	187,949
Less: Valuation allowance	-	(187,949)
Income tax expense	$ -	$ -

Income tax expense is included under Operating Expenses in the Statements of Changes in Net Claimants' Equity.

During the years ended December 31, 2020 and 2019, the Trust generated realized capital gains of $470,322 and $973,576, respectively. The Trust had no remaining capital loss carryforwards available.

During the years ended December 31, 2020 and 2019, the Trust generated net taxable income (loss) of $228,763 and $(507,970), respectively. During 2019, the Trust sold its remaining interests in certain limited partnerships and, as a result, the Trust recaptured suspended losses from previous years which resulted in a net taxable loss. As of December 31, 2020 and 2019, the Trust had net operating loss carryforwards amounting to approximately $279,000 and $508,000, respectively, to offset future taxable income. The future ability of the Trust to benefit from this net operating loss carryforward is uncertain; therefore, the deferred tax asset related to the loss carryover has been fully reserved.

The Trust recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

The Trust recognizes both interest and penalties related to uncertain tax positions as part of the income tax provision. There were no interest and penalties related to unrecognized tax positions for the years ended December 31, 2020 and 2019.

8. Related Party Transactions

A managing shareholder of Lain Faulkner & Co., P.C. was also the Managing Trustee of the Trust until his death in August 2019. Lain Faulkner & Co., P.C. provided accounting services to the Trust in the amount of $152,272 for the year ended December 31, 2019. Lain Faulkner & Co., P.C. also provided administrative services to the Trust through the Managing Trustee in the amount of $14,400 for the year ended December 31, 2019. Trustee fees were $238,456 and $126,367 for the years ending December 31, 2020 and 2019, respectively.

9. Commitments and Contingencies

Uninsured Liabilities

The Trust maintains general liability insurance with limits and deductibles that management believes prudent in light of the exposure of the Trust to loss and the cost of the insurance.

Other

The Trust is subject to potential claims and litigation. In the opinion of management, the outcome of such matters will not have a material adverse effect on the special-purpose financial statements of the Trust.

10. Subsequent Events

The Trust has evaluated all subsequent events through April 14, 2021, the date the special-purpose financial statements is ready for issuance.

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EXHIBIT B

SUMMARY OF CLAIMS DISPOSED OF
DURING THE FISCAL YEAR ENDING DECEMBER 31, 2020

Type of Claim	Number of Claims
Claims Submitted to the Trust:	2,761
New Claims Paid by the Trust:	1,939[1]
Payments on Claims Paid Prior to 2020 due to Adjustment of Payment Sum Percentage:	NONE

[1] The 2020 Audited Financial Statements attached as Exhibit A to this Annual Report filing include the reissuance of claim checks settled in previous years that were never negotiated.