IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
LESLIE CONTROLS, INC.,[1]	)	Case No. 10-12199 (CSS)
	)	
Reorganized Debtor.	)	
	)	

NOTICE OF FILING

PLEASE TAKE NOTICE that, on April 26, 2022, the **Leslie Controls, Inc. Asbestos Personal Injury Trust Special-Purpose Financial Statements with Report of Independent Auditors for the Years Ended December 31, 2021, and 2020 and Related Information** were filed electronically by Stutzman, Bromberg, Esserman & Plifka, a Professional Corporation with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware.

Dated: April 26, 2022

STUTZMAN, BROMBERG, ESSERMAN & PLIFKA, a Professional Corporation

By: */s/ Sander L. Esserman*

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COUNSEL FOR THE LESLIE CONTROLS, INC. ASBESTOS PERSONAL INJURY TRUST

[1] The last four digits of the Debtor's federal tax identification number are 3780.

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CERTIFICATE OF SERVICE

I, Andrea L. Ducayet, an attorney, hereby certify that, on April 26, 2022, a true and correct copy of the attached **Leslie Controls, Inc. Asbestos Personal Injury Trust Special-Purpose Financial Statements with Report of Independent Auditors for the Years Ended December 31, 2021, and 2020 and Related Information** was served this day upon the parties listed on the attached Service List via email and electronically through the Court's CM/ECF System.

/s/ Andrea L. Ducayet

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Special-Purpose Financial Statements
with
Report of Independent Auditors

Years Ended December 31, 2021 and 2020

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

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REPORT OF INDEPENDENT AUDITORS

To the Trustee of
Leslie Controls, Inc. Asbestos Personal Injury Trust

We have audited the accompanying special-purpose financial statements of the Leslie Controls, Inc. Asbestos Personal Injury Trust (the "Trust"), which comprise the special-purpose statements of net claimants' equity as of December 31, 2021 and 2020, and the related special-purpose statements of changes in net claimants' equity and cash flows for the years then ended, and the related notes to the special-purpose financial statements (collectively, the "Financial Statements").

In our opinion, the Financial Statements referred to above present fairly, in all material respects, the net claimants' equity of the Trust as of December 31, 2021 and 2020, and the changes in net claimants' equity and cash flows for the years then ended in conformity with the special-purpose basis of accounting described in Note 2 to the Financial Statements.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 of the Financial Statements, these 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 net claimants' equity during the periods. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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 Financial Statements that are free from material misstatement, whether due to error or fraud.

In preparing the Financial Statements, management is required to evaluate where 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 the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the 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 Trustee, the beneficiaries of the Trust and the United States Bankruptcy Court for the District of Delaware ("Bankruptcy Court") 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 Bankruptcy Court, is a matter of public record.

BKM Sowan Horan, LLP

Dallas, Texas
April 19, 2022

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Special-Purpose Statements of Net Claimants' Equity

	December 31,	
	2021	2020
ASSETS		
Cash and cash equivalents	$ **4,746,135**	$ 5,190,688
Investments at fair value	**62,785,477**	48,593,743
Investment income receivable	**485,913**	416,146
Prepaid expenses	**19,288**	8,144
Total assets	**68,036,813**	54,208,721
LIABILITIES AND NET CLAIMANTS' EQUITY		
Accounts payable and accrued expenses	**70,468**	81,622
Claims payable	**1,348,096**	1,324,609
Total liabilities	**1,418,564**	1,406,231
Net claimants' equity	$ **66,618,249**	$ 52,802,490

See accompanying notes to special-purpose financial statements

LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Special-Purpose Statements of Changes in Net Claimants' Equity

	Years Ended December 31,	
	2021	2020
ADDITIONS		
Insurance settlements	$ **13,026,871**	$ 28,419
Investment income, net:		
Interest and dividends	**1,314,653**	1,241,055
Investment advisory fees	**(175,890)**	(164,109)
Realized gain on investments, net	**1,021,534**	98,838
Unrealized gain on investments, net	**1,869,724**	2,449,376
Total additions	**17,056,892**	3,653,579
DEDUCTIONS		
Claims expense	**2,214,764**	2,338,872
Claim processing fees and consulting	**116,927**	121,420
Operating expenses	**909,442**	1,125,430
Total deductions	**3,241,133**	3,585,722
Net increase in net claimants' equity	**13,815,759**	67,857
Net claimants' equity:		
Beginning of year	**52,802,490**	52,734,633
End of year	$ **66,618,249**	$ 52,802,490

See accompanying notes to special-purpose financial statements

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Special-Purpose Statements of Cash Flows

	Years Ended December 31,	
	2021	2020
Cash flows from operating activities		
Net increase in net claimants' equity	**$ 13,815,759**	$ 67,857
Adjustments to reconcile net increase in net claimants' equity to net cash provided by (used in) operating activities:		
Net unrealized gain on investments	**(1,869,724)**	(2,449,376)
Net realized gain on investments	**(1,021,534)**	(98,838)
Amortization of bond premiums	**432,930**	524,441
Changes in assets and liabilities:		
Investment income receivable	**(69,767)**	53,439
Prepaid expenses	**(11,144)**	577
Accounts payable and accrued expenses	**(11,154)**	47,541
Claims payable	**23,487**	109,202
Net cash provided by (used in) operating activities	**11,288,853**	(1,745,157)
Cash flows from investing activities		
Proceeds from sale of investments	**5,715,474**	8,674,836
Purchase of investments	**(17,448,880)**	(5,154,893)
Net cash provided by (used in) investing activities	**(11,733,406)**	3,519,943
Net increase (decrease) in cash and cash equivalents	**(444,553)**	1,774,786
Cash and cash equivalents, beginning of year	**5,190,688**	3,415,902
Cash and cash equivalents, end of year	**$ 4,746,135**	$ 5,190,688

See accompanying notes to special-purpose financial statements

LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Notes to Special-Purpose Financial Statements

Note 1 - Description of the Trust

General

The Leslie Controls, Inc. Asbestos Personal Injury Trust (the "Trust") was established on April 28, 2011 ("Effective Date") and is a Qualified Settlement Fund ("QSF") pursuant to Section 1.468B-1 et seq. of the Treasury Regulations promulgated under section 468B of the Internal Revenue Code ("IRC"). The purpose of the Trust is to (a) assume all liabilities and responsibility for Asbestos Personal Injury ("PI") Claims (whether existing as of the Effective Date or arising at any time thereafter), (b) direct the processing, liquidation and payment of all Asbestos PI Claims in accordance with the Asbestos PI Trust Distribution Procedures, (c) preserve, hold, manage and maximize the Asbestos PI Trust Assets for use in paying and otherwise satisfying Asbestos PI Claims and paying Asbestos PI Trust Expenses, and (d) otherwise comply in all respects with the requirements of a trust set forth in section 524(g)(2)(B) of the Bankruptcy Code, all in accordance with the Plan.

The Trust is governed by a Trust Agreement and Trust Distribution Procedures ("TDP") that establish the framework and criteria for allowance and payment of asbestos-related claims by the Trust. There are seven disease levels specified in the TDP. With respect to six of the disease levels, 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 in the more serious disease levels also have an alternative, under the TDP, to submit additional documentation and request a more expansive review of their claim (TDP – 5.2b Individual Review Process), in which case claims may be paid within a range of amounts. Claims involving Disease Level V (Lung Cancer 2) must be liquidated under the Trust's individual review process.

The Trust's assets consist primarily of cash and cash equivalents and investments, 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 of the amount of each allowed claim that will actually be paid will be determined by projections of total allowed Asbestos Claims and operational expenses of the Trust, on the one hand, and total assets and net earnings (or losses), on the other. Pursuant to the TDP, the initial payment percentage was established at 40%. Effective May 20, 2014, pursuant to the Amended and Restated Asbestos Trust Distribution Procedures, the Trustee adjusted the payment percentage from 40% to 5%.

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Note 1 - Description of the Trust – (Continued)

Funding

On the Effective Date, the Trust was funded with a total of $76,625,000. These funds consisted of $74,000,000 from CIRCOR International, Inc. ("CIRCOR"), the parent corporation of Leslie Controls, Inc. ("Leslie"), and $2,625,000 of proceeds on the settlement between Leslie and Continental Casualty Company. Since the Effective Date through December 31, 2017, the Trust has received additional proceeds from CIRCOR, Leslie, and solvent and insolvent insurers of approximately $32.2 million. During 2021 and 2020, the Trust received proceeds from additional insurers of approximately $13.1 million and $0.1 million, respectively. The Trust expects to receive additional payments over several years from insurers. However, the amount and timing of additional payments is unknown.

Termination

Section 8.2 of the Trust Agreement provides that the Trust shall automatically terminate on the date (the "Dissolution Date") ninety (90) days after the first to occur of the following events:

- 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 PI Claims filed with the Trust have been liquidated and, to the extent possible based upon the funds available to the Trust through the Plan, paid to the extent provided in the Trust Agreement and the Asbestos PI Trust Distribution Procedures or disallowed by a final, non-appealable order, and (C) twelve (12) consecutive months have elapsed during which no new Asbestos PI Claim has been filed with the Trust; or

- If the Trustee has procured and has in place irrevocable insurance policies and has established claims handling agreements and other necessary arrangements with suitable third parties adequate to discharge all expecting remaining obligations and expenses of the Trust in a manner consistent with the Trust Agreement and the Asbestos PI Trust Distribution Procedures, 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 hereof.

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Note 1 - Description 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 Trustee and payment of all the Trust's liabilities, any remaining assets of the Trust shall be applied to such charitable purposes as the Trustee in the Trustee's reasonable discretion shall determine, which charitable purposes, if practicable, shall be related to the treatment of, research on or the relief of suffering of individuals suffering from asbestos-related lung diseases or disorders.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting

The Trust's special-purpose financial statements ("Financial Statements") are prepared using special-purpose accounting methods adopted by the Trustee which differ from accounting principles generally accepted in the United States of America ("GAAP"). The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the net assets available for the payment of claims and 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. These special-purpose accounting methods and the differences from GAAP are summarized as follows:

- Net claimants' equity represents funds available to pay asbestos and bankruptcy related claims that have not yet been submitted, or that have been submitted but not processed. Trust expenses are also paid from net claimants' equity. Under GAAP, net claimants' equity would be reduced for estimates of amounts to be paid for claims that have not yet been submitted, or that have been submitted but not processed.

- Claims are expenses that are recorded once an offer is made to the claimant at the amount equal to the expected pro-rata payment. Under GAAP, a liability would be recorded for an estimate of the amount to be paid for the 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.

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Notes to Special-Purpose Financial Statements

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

Basis of accounting – continued

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

- Income tax expense (benefit) is estimated and recorded as incurred in the period in which certain income and expense items affect current federal income taxes. Under GAAP, the provision for income taxes is recorded based upon income (loss) reported for financial statement purposes, which includes federal income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities. Additionally, GAAP requires all tax positions to be reviewed using a more likely than not threshold for financial statement recognition of tax assets, and a liability to be recorded for an uncertain tax position taken or expected to be taken beyond this threshold.

- Asbestos insurance recoveries are not recorded until the funds are received or collection is assured from the insurance carriers. Under GAAP, asbestos insurance recoveries are recorded upon settlement.

Use of estimates

The preparation of the Financial Statements requires the Trustee and management of the Trust to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of additions and deductions to the net claimants' equity during the reporting periods. The significant items subject to such estimates and assumptions include the fair value of investments and income taxes expense. Actual results could differ from these estimates.

Financial instruments

The Trust's primary financial instruments are cash and cash equivalents, investments, and investment income receivable. The carrying amount of cash and cash equivalents and investment income receivable approximate their fair values based on their short-term nature. The carrying amount of investments is based on fair value.

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

Cash and cash equivalents

The Trust considers all money market funds and short-term investments with a maturity of three (3) months or less to be cash equivalents.

Concentrations of credit risk

Financial instruments, which potentially subject the Trust to concentrations of credit risk, consist primarily of cash, cash equivalents, and investments. The Trust maintains its cash and cash equivalents, which at times may exceed federally insured limits, with financial institutions. The Trust has not experienced any losses in such accounts, and management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

The Trust's investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and such changes could materially affect the value of the Trust's portfolio.

Investments and related income (loss)

Investments are reported at fair value in the statements of net claimants' equity, and changes in the fair value of investments, as well as unrealized and realized gains and losses and foreign currency translation, are included in investment income, net reported in the statements of changes in 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.

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

Claims payable
Claims payable consists of certain injury claims that are approved but unpaid at year end.

Claims processing and consulting
Claims processing and consulting expenses are recorded as incurred.

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.

Federal income tax expense
The Trust is subject to federal income taxes based on modified gross income, as defined by the IRC. In the opinion of management, the Trust is not subject to state income taxes, and therefore, the Financial Statements do not include any provision or liability for state income taxes. The Financial Statements also do not included any provision for federal deferred taxes as defined in the special-purpose basis methods adopted by the Trust. The funding received at the inception of the Trust as well as any subsequent funding received from insurers does not represent taxable income to the Trust. In addition, payments to claimants do not represent tax deductions of the Trust.

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 final statements. The accompanying Financial Statements consider events through April 19, 2022, the date when the Financial Statements were available to be issued.

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Notes to Special-Purpose Financial Statements

Note 3 - 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:

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 securities that are traded in an active exchange.

Level 2 – Pricing inputs are other than quoted market prices included in Level 1, but are observable indirectly for the investment. The Trust includes its corporate and municipal bonds, asset 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 3 investments.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. Furthermore, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

The following is a description of the valuation methodologies used for financial assets measured at fair value, including the general classification of such assets pursuant to the valuation hierarchy.

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Notes to Special-Purpose Financial Statements

Note 3 - Investments – (Continued)

Debt securities

The Trust's investments in debt securities do not have quoted market prices. These fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flow, and are classified within Level 2 of the valuation hierarchy. These Level 2 securities would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions and certain corporate, asset-backed, and other securities. In certain cases where there is limited activity or less transparency around inputs to the valuation, these securities could be classified within Level 3 of the valuation hierarchy. Currently, all of the Trust's debt securities are considered to be Level 2 securities.

Mutual funds

The Trust's investments in mutual funds are classified as Level 1 because net asset values are calculated and published daily. These funds can also be sold daily in an active market.

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

		December 31, 2021		
		Fair Value	Cost	Unrealized Gain, Net
	Level			
Mutual Funds	1	$ 18,308,698	$ 13,005,308	$ 5,303,390
Municipal Bonds	2	44,476,779	41,623,190	2,853,589
Total		$ 62,785,477	$ 54,628,498	$ 8,156,979

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Notes to Special-Purpose Financial Statements

Note 3 - Investments – (Continued)

Mutual funds – continued

		December 31, 2020		
	Level	Fair Value	Cost	Unrealized Gain, Net
Mutual Funds	1	$ 13,423,308	$ 9,914,170	$ 3,509,138
Municipal Bonds	2	35,170,435	32,392,318	2,778,117
Total		$ 48,593,743	$ 42,306,488	$ 6,287,255

Future maturities of the Trust's debt securities at December 31, 2021 are as follows:

	Fair Value	Cost	Unrealized Gain, Net
Due in one year or less	$ 1,433,817	$ 1,416,122	$ 17,695
Due after one year through five years	7,993,525	7,552,898	440,627
Due after five years through ten years	25,976,119	24,102,743	1,873,376
Due after ten years	9,073,318	8,551,427	521,891
Total	$ 44,476,779	$ 41,623,190	$ 2,853,589

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Notes to Special-Purpose Financial Statements

Note 4 - 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 IRC, which was 37% as of December 31, 2021, and 2020.

For net operating losses ("NOLs") created in years beginning after December 31, 2017, the carry forward of NOLs will be limited to a reduction of 80% of modified taxable income without expiration. NOLs prior to January 1, 2018 will carry forward 20 years and there is no limitation in the reduction of modified taxable income.

The Trust's federal income tax expense for the year ended December 31, 2021 is calculated as follows:

		2021
Modified taxable income (loss)	$	**145,889**
Tax rate		**37.0%**
Federal income tax expense (benefit)		**53,979**
Utilization of NOLs		**(53,979)**
Federal income tax expense	$	**-**

For the years ended December 31, 2020, the Trust had no modified taxable income and paid no federal income taxes. As of December 31, 2021, the Trust had approximately $5,288,000 of net operating loss carryforwards, with $2,870,000 starting to expire in 2031 and $2,418,000 having no expiration date. The amount of income taxes the Trust pays is subject to ongoing audits by federal authorities.

Leslie Controls Asbestos Trust Annual Reports, 2021 annual report Published by AsbestosClaims.Law
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Note 5 - Trust Advisory Committee and Future Claimants' Representative

The Trust Agreement sets forth the role and responsibility of the Trust Advisory Committee ("TAC") and Future Claimants' Representative ("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"). This 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.

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SUPPLEMENTAL INFORMATION

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REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY INFORMATION

To the Trustee
Leslie Controls, Inc. Asbestos Personal Injury Trust:

We have audited the special-purpose Financial Statements ("Financial Statements") of the Leslie Controls, Inc. Asbestos Personal Injury Trust (the "Trust") as of and for the years ended December 31, 2021 and 2020. Our report thereon dated April 19, 2022, which expressed an unmodified opinion on those Financial Statements, appears on pages one and two. Our audits were conducted for the purpose of forming an opinion on the Financial Statements as a whole. The supplemental schedules of operating expenses are presented for the purposes of additional analysis and is not a required part of the basic Financial Statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Financial Statements. The information has been subjected to the auditing procedures applied in the audit of the Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Financial Statements or to the Financial Statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the Financial Statements as a whole.

BKM Sowan Horan, LLP

Dallas, Texas
April 19, 2022

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LESLIE CONTROLS, INC.
ASBESTOS PERSONAL INJURY TRUST

Supplemental Schedules of Operating Expenses

	Years Ended December 31,	
	2021	2020
Trust general counsel	$ **548,674**	$ 730,922
Trustee fees and expenses	**91,660**	109,417
Accounting, audit, and tax fees and expenses	**146,040**	152,099
Insurance claims consultant expenses	**-**	72,813
Insurance costs	**27,949**	25,334
Future claimants representative fees and expenses	**67,027**	22,143
Trust advisory committee attorney fees	**25,332**	10,967
Other	**2,760**	1,735
Total operating expenses	$ **909,442**	$ 1,125,430

See accompanying notes to special-purpose financial statements

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Leslie Controls, Inc. Asbestos Personal Injury Trust

Report of Asbestos PI Claim Activity and Disposition during the Period from January 1, 2021 through December 31, 2021

Asbestos PI Claims

Type of Claim	Number of Claims Filed	Number of Claims Approved for Payment and in Payment Queue as of 12-31-2021	Number of Claims Withdrawn or Not Approved	Liquidated Value of Approved Claims in Payment Queue as of 12-31-2021	Number of Approved Claims Paid	Amount Paid on Approved Claims after Application of Payment Percentage
Category A Claims (Disease Levels III-VII)	3,097	106	2,180	$3,672,500	1,156	$2,131,635
Category B Claims (Disease Levels I-II)	651	40	524	$111,000	435	$60,487.50
Disease Level Not Specified	0	0	0	$0	0	$0

LESLIE CONTROLS, INC. ASBESTOS PERSONAL INJURY TRUST

Report of Compensation and Expense Reimbursement (January 1 through December 31, 2021)

	Total	Compensation	Expense Reimbursement
Ellen S. Pryor [Trustee]	$87,650.00	$87,650.00	$0.00
Wilmington Trust [Delaware Trustee]	$4,010.00	$4,010.00	$0.00
James L. Patton, Young Conaway Stargatt & Taylor LLP [Future Claimants' Representative]	$3,687.50	$3,687.50	$0.00
Trust Advisory Committee	$0.00	$0.00	$0.00