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

In re:	)	
	)	Chapter 11
PITTSBURGH CORNING	)	
CORPORATION	)	Case No. 00-22876 TPA
	)	
Reorganized Debtor.	)	Doc. No. ____

NOTICE OF FILING ANNUAL REPORT AND ACCOUNT OF THE PITTSBURGH CORNING CORPORATION ASBESTOS PERSONAL INJURY SETTLEMENT TRUST FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018

The Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust (the "Trust") hereby files its Audited Financial Statements for the fiscal year ending December 31, 2018 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 Asbestos PI Trust Agreement, the Trust is providing copies of the Annual Report and the Financial Statements to the Trust Advisory Committee, the Futures Claimants Representative, and Reorganized PCC as well as the United States Trustee.

Dated: April 23, 2019

Respectfully submitted,

CAMPBELL & LEVINE, LLC

s/ Douglas A. Campbell
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Counsel to the Trust

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Exhibit 1

Annual Report and Account

Of the
Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust

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

In re:	)	Chapter 11
	)	
PITTSBURGH CORNING CORPORATION,	)	Case No. 00-22876 TPA
	)	
	)	Doc. No. _____
Reorganized Debtor.	)	

ANNUAL REPORT AND ACCOUNT OF THE PITTSBURGH CORNING CORPORATION ASBESTOS PERSONAL INJURY SETTLEMENT TRUST FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018

Jack Marionneaux, Andrew MacQueen, and Philip Pahigian, the Trustees of the Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust (the "Trust"), created pursuant to the Modified Third Amended Plan of Reorganization of Pittsburgh Corning Corporation (the "Plan"), submit this Annual Report, Financial Statements, and Claims Summary for the period from January 1, 2018 through December 31, 2018.

I. INTRODUCTION

The purpose of this Annual Report is to fulfill the reporting requirements of the Asbestos PI Trust Agreement (the "Trust Agreement") and to report to the Court on the actions taken by the Trustees on behalf of the Trust during the period January 1, 2018 to December 31, 2018 (the "Reporting Period").

Section 2.2(c) of the Trust Agreement provides:

> The Trustees shall timely account to the Bankruptcy Court as follows:
>
> (i) The Trustees 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 containing *inter alia* financial statements of the Asbestos PI Trust (including, without limitation, a balance sheet of the

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Asbestos PI 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 Trustees 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 and as to the conformity of the financial statements with generally accepted accounting principles. The Trustees shall provide a copy of such report to the TAC[1], the Future Claimants' Representative, and Reorganized PCC when such reports are filed with the Bankruptcy Court.

(ii) Simultaneously with delivery of each set of financial statements referred to in Article 2.2(c)(i) above, the Trustees 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 financial statements. The Trustees shall provide a copy of such report to the TAC, the Future Claimants' Representatives, and Reorganized PCC 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 Trust Agreement further provides for the inclusion of a description of the amounts paid to the Trustees, TAC, and the FCR in the accounts filed with the Bankruptcy Court and a description of any modification or amendments to the Trust Agreement or Trust Distribution Procedures (the "TDP"). See Sections 4.5(c), 5.6, 6.5, and 7.3.

II. BACKGROUND

On April 16, 2000, Pittsburgh Corning Corporation (the "Debtor"), filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code. On May 24, 2013, the Court entered an Order in these cases confirming the Plan. On September 30, 2014, the United

[1] Trust Advisory Committee

States District Court for the Western District of Pennsylvania affirmed the Bankruptcy Court's Confirmation Order. Certain parties appealed the judgment of the District Court to the United States Court of Appeals for the Third Circuit. Those appeals were voluntarily withdrawn, and the District Court's affirmation of the Confirmation Order became final in January 2016. On April 27, 2016 (the "Effective Date"), the Plan became effective and the Trustees began to manage the affairs of the Trust.

On or after the Effective Date, the Trust was funded as provided for in Section 9.1.3 of the Plan. The purpose of the Trust is to assume the liabilities of the Debtor and the Asbestos Protected Parties for all Channeled Asbestos PI Trust 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 Channeled Asbestos PI Trust Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims. See Trust Agreement, Section 1.2.

III. TRUST ADMINISTRATION

A. Trustees

Jack Marionneaux, Andrew MacQueen, and Philip Pahigian served as the Trustees of the Trust during the Reporting Period. Jack Marionneaux served as the Managing Trustee during the Reporting Period.

During the Reporting Period, the Trustees held formal meetings in accordance with the requirements of the Trust Agreement. These meetings were designated as "regular meetings" under the Trust's By-laws. Each meeting was in person and was attended by representatives of the TAC and the FCR. In addition to these formal meetings, the Trustees held regularly scheduled weekly teleconferences, met individually with Trust advisors, held executive session

and special purpose meetings, and devoted considerable time to Trust matters outside of scheduled meetings. Activities included monitoring and exercising oversight over the investment of Trust assets, preparation for the processing of claims pursuant to the Trust Distribution Procedures and communicating with claimants regarding operations of the Trust.

B. Trust Officers

B. Thomas Florence served as the Trust's Executive Director and John Brophy served as the Trust's Assistant Executive Director during the Reporting Period.

C. Trust Advisory Committee

Steven Baron, Bryan Blevins, John D. Cooney, Bruce Mattock, Joseph F. Rice, Perry Weitz, and Steven Kazan served as Members of the Trust Advisory Committee (the "TAC Members") during the Reporting Period.

D. Futures Claimants' Representative

Lawrence Fitzpatrick served as the Futures Claimants' Representative (the "FCR") during the Reporting Period.

E. Claims Processing

During the Reporting Period, the Delaware Claims Processing Facility was engaged to process the Trust's claims. The terms of the Trust's ownership interest in the Delaware Claims Processing Facility are detailed in the Audited Financial Statements[2].

F. Investment Management

Cambridge Associates, LLC of Boston, Massachusetts served as the Trust's investment advisor. Cambridge Associates represents other asbestos settlement trusts and has experience advising such trusts regarding investment management. Cambridge Associates advises the

[2] Audited Financial Statements at Note 4.

Trustees on asset allocation, meeting liquidity needs, and the selection and oversight of individual investment managers for the investable portions of the Trust's portfolio. The Trust Agreement sets forth certain general investment guidelines, primarily addressing credit quality and asset diversification. In accordance with the recommendation of Cambridge Associates, the currently anticipated liquidity needs, and the Trust's status as a "Qualified Settlement Fund" under Section 468B of the Internal Revenue Code, the Trust's investable assets are generally allocated among investment categories in the following approximate percentages at year-end 2018: 48.1% of the Trust's invested assets are allocated to intermediate-term municipal bonds, 30.4% are allocated to short-term municipal bonds, 7.1% to variable-rate demand notes, 3.8% to U.S. equities, 4.1% to non-U.S. equities, 1.9% to global equity, and 4.5% to hedge funds. The Trust also had assets in cash or equivalents (short-term U.S. Treasuries or U.S. money market fund).

After consultation with Cambridge Associates, in 2018 the Trust incepted Orbis Global Equity as a Global Equity manager. No other managers we added during the year. The Trust is invested in its hedge fund managers through commingled Limited Partnership vehicles. Limited Partnerships utilize independent third party administrators and a separate custodian. Broadly speaking, the hedge fund program is intended to generate, over a full market cycle, close to equity-like returns with lower volatility and lower correlation to the rest of the Trust's portfolio. The other expected benefits of the hedge fund program are diversification (e.g., access to specialized strategies not otherwise available in the other equity or fixed income investments), superior performance (versus long-only equities) in down equity markets, and access to some of the most talented investment managers.

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During the reporting period, the Trustees regularly met with Cambridge Associates to review investment performance and strategy, as well as to receive an update on the current market environment.

G. Counsel

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

IV. ANNUAL REPORT AND ACCOUNTING

A. Summary of Claims

1. Since Inception of Trust

The Trust began accepting and processing Unliquidated claims on March 21, 2017. As of December 31, 2018, the Trust had paid a total of 7,448 Pre-Petition Liquidated PI Trust Claims. Of the claims paid, there were 1,056 malignancy claims and 6,392 non-malignancy claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $257.67 million to asbestos victims in settlement of their Pre-Petition Liquidated PI Trust Claims. The malignant to non-malignant ratio of the Pre-Petition Liquidated PI Trust Claims paid in number was 1/6 and the malignant to non-malignant ratio of the Pre-Petition Liquidated Trust Claims in dollars paid was 1/2.

As of December 31, 2018, the Trust had received 482,459 Unliquidated PI Trust Claims and paid a total of 99,445 claims since the date of inception of the Trust. Of the claims paid, there were 18,609 malignancy claims and 80,836 non-malignancy claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $886.27 million to asbestos victims in settlement of their Unliquidated PI Trust Claims since the date of inception of the Trust. The malignant to non-malignant ratio of the Unliquidated PI Trust

Claims paid in number was 1/4 and the malignant to non-malignant ratio of the Unliquidated Trust Claims in dollars paid was 2.6/1.

2. During the Reporting Period

During the Reporting Period, the Trust paid a total of 4,153 Pre-Petition Liquidated PI Trust Claims. Of the claims paid, there were 802 malignancy claims and 3,351 non-malignancy claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $225.86 million to asbestos victims in settlement of their Pre-Petition Liquidated PI Trust Claims. The malignant to non-malignant ratio of the Pre-Petition Liquidated PI Trust Claims paid in number was 1/4. and the malignant to non-malignant ratio of the Pre-Petition Liquidated Trust Claims in dollars paid was 1/2.

During the Reporting Period, the Trust received 72,250 Unliquidated PI Trust Claims. Out of the Trust's pending claims filed since inception, the Trust paid a total of 67,788 claims during the reporting period. Of the claims paid, there were 13,868 malignancy claims and 53,920 non-malignancy claims. After application of the payment percentage and applicable sequencing adjustment, the Trust paid approximately $748.42 million to asbestos victims in settlement of their Unliquidated PI Trust Claims. The malignant to non-malignant ratio of the Unliquidated PI Trust Claims paid in number was 1/4 and the malignant to non-malignant ratio of the Unliquidated Trust Claims in dollars paid was 3/1.

A summary of the claims processing procedures and policies may be found at the Trust website at www.pccasbestostrust.com.

B. Reconsideration of Payment Percentage

Section 4.2 of the Trust Distribution Procedures requires that the Trustees reconsider the payment percentage if they deem such reconsideration to be appropriate in order, among other

things, to assure that the Trust will be able to pay similarly situated current and future claimants as equitably as reasonably possible.

As required by Section 4.2 of the Trust Distribution Procedures, the Trustees based their decision on current estimates of the number, types and values of present and future claims against the Trust, the value of assets currently available to claims payments, anticipated processing, administrative and legal expenses, and other material matters that the Trustees and their advisors considered to be reasonably likely to affect the sufficiency of the assets to pay a comparable percentage of full value to all holders of claims against the Trust.

During such reconsideration, the Trustees consulted with the TAC and the FCR of the Trust as required by Section 2.2 of the Trust Agreement. After concluding the consultation and consent process, on July 2, 2018, pursuant to Section 4.3 of the TDP, the Trustees notified all claimants and counsel that the payment percentage was being recalculated from 20% to 30.1%.

V. FINANCIAL INFORMATION

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

Date: April 23, 2019

CAMPBELL & LEVINE, LLC

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Counsel to the Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust

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Exhibit A

Audited Financial Statements

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The Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust

Special-Purpose Financial Statements with Supplementary Information

For the Years Ended December 31, 2018 and 2017

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.

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The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

Special-Purpose Financial Statements
with Supplementary Information
For the Years Ended December 31, 2018 and 2017

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The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

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Independent Auditor's Report

Trustees
The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust
Pittsburgh, Pennsylvania

We have audited the accompanying special-purpose financial statements of The Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust (the Trust) (a common law trust created under the laws of the Commonwealth of Pennsylvania), which comprise the special-purpose statements of assets, liabilities, and net assets available for the payment of claims as of December 31, 2018 and 2017, and the related special-purpose statements of changes in net assets available for the payment of claims and the special-purpose statements of cash flows for the years then ended, and the related notes to the special-purpose financial statements.

Management's Responsibility 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 basis of accounting described in Note 2 to the special-purpose financial statements. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets and liabilities of The Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust as of December 31, 2018 and 2017, and the additions, deductions and cash flows for the years then ended, in accordance with the basis of accounting described in Note 2 to the special-purpose financial statements.

Basis of Accounting

We draw attention to Note 2 of the special-purpose financial statements, which describes the basis of accounting. As described in Note 2, these special-purpose financial statements were prepared on a special-purpose basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter. The special-purpose basis of accounting has been used in order to communicate the amount of net assets presently available to fund current and future claimants.

Restriction of Use

Our report is intended solely for the information and use of the Trust and is not intended to be and should not be used by anyone other than the specified party. 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.

BDO USA LLP

McLean, Virginia
April 23, 2019

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Special-Purpose Financial Statements

The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

Special-Purpose Statements of Assets, Liabilities, and Net Assets Available for the Payment of Claims

December 31,	2018	2017
Assets		
Cash and cash equivalents	$ 209,850,197	$ 868,994,560
Funds held in escrow	5,000,000	7,900,000
Investments		
Bonds	2,169,895,040	2,445,610,773
Equity securities	166,915,330	182,490,537
Alternative investments	206,184,389	187,582,665
Interest and dividends receivable	23,605,203	19,824,704
Total assets	2,781,450,159	3,712,403,239
Liabilities		
Accrued expenses and accounts payable	3,460,871	1,885,392
Settled but unpaid claims	163,574,015	7,222,852
Total liabilities	167,034,886	9,108,244
Net assets available for the payment of claims	$ 2,614,415,273	$ 3,703,294,995

See accompanying notes to the special-purpose financial statements.

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The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

Special-Purpose Statements of Changes in Net Assets Available for the Payment of Claims

Years Ended December 31,	2018	2017
Additions		
Initial funding	$ 35,000,000	$ 70,007,718
Insurance recoveries	14,177,379	32,679,250
Interest and dividend income	94,019,535	65,646,353
Net appreciation in fair value of investment securities	-	52,367,175
Net appreciation in fair value of alternative investments	-	10,996,639
Gain on sale of Pittsburgh Corning Corporation	-	2,088,237
Gain on sale of Pittsburgh Corning Europe	-	30,158,646
Other Income	81,876	9,092
Total additions	143,278,790	263,953,110
Deductions		
Net depreciation in fair value of investment securities	68,771,353	-
Net depreciation in fair value of alternative investments	13,924,357	-
Personal injury claims expenses	904,751,197	145,068,091
Prepetition personal injury claims expenses	50,522,103	31,811,734
Cimino settlement expenses	175,480,600	-
Operating expenses	11,150,788	12,114,590
Claims processing expenses	7,558,114	8,731,533
Income tax expense	-	16,500,000
Total deductions	1,232,158,512	214,225,948
(Decrease) increase in net assets available for the payment of claims	(1,088,879,722)	49,727,162
Net assets available for the payment of claims		
Beginning of the year	3,703,294,995	3,653,567,833
End of the year	$ 2,614,415,273	$ 3,703,294,995

See accompanying notes to the special-purpose financial statements.

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The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

Special-Purpose Statements of Cash Flows

Years Ended December 31,	2018	2017
Cash flows from operating activities:		
(Decrease) increase in net assets available for the payment of claims	$ (1,088,879,722)	$ 49,727,162
Adjustments to reconcile (decrease) increase in net assets available for the payment of claims to net cash used in operating activities:		
Gain on sale of Pittsburgh Corning Corporation (PCC)	-	(2,088,237)
Gain on sale of Pittsburgh Corning Europe (PCE)	-	(30,158,646)
Net depreciation (appreciation) in fair value of investment securities	68,771,353	(52,367,175)
Net depreciation (appreciation) in fair value of alternative investments	13,924,357	(10,996,639)
Changes in operating assets and liabilities:		
Interest receivable	(3,780,499)	(9,962,124)
Funds held in escrow	2,900,000	-
Accrued expenses and accounts payable	1,575,479	920,905
Settled but unpaid claims	156,351,163	7,222,852
Total adjustments	239,741,853	(97,429,064)
Net cash used in operating activities	(849,137,869)	(47,701,902)
Cash flows from investing activities:		
Return of capital from Pittsburgh Corning Corporation	-	47,885,850
Sale of investments in PCC and PCE	-	571,315,908
Sales and maturities of bonds	1,216,256,849	1,093,061,394
Purchases of bonds	(989,642,155)	(2,215,733,649)
Sales of equity securities	76,306,740	364,603,439
Purchases of equity securities	(80,401,847)	(167,894,632)
Return of excess capital called for alternative investments	1,500,000	1,150,000
Distributions/withdrawals from alternative investments	2,723,919	-
Purchases of alternative investments	(36,750,000)	(132,300,000)
Net cash provided by (used in) investing activities	189,993,506	(437,911,690)
Net decrease in cash and cash equivalents	(659,144,363)	(485,613,592)
Cash and cash equivalents at the beginning of the year	868,994,560	1,354,608,152
Cash and cash equivalents at the end of the year	$ 209,850,197	$ 868,994,560
Supplemental Schedule of Non-Cash Investing Activities		
Funds held in escrow	$ 5,000,000	$ 7,900,000

See accompanying notes to the special-purpose financial statements.

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1. Description of the Trust

On April 16, 2000, Pittsburgh Corning Corporation ("PCC" or the "Debtor") filed a voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code ("Bankruptcy Code") in the United States Bankruptcy Court for the Western District of Pennsylvania (the "Bankruptcy Court"). As of the filing date, PPG Industries, Inc. ("PPG") and Corning Incorporated ("Corning") each owned 50% of the common stock of PCC.

On January 29, 2009, following the filing of two previously unconfirmed plans, the Debtor filed its Modified Third Amended Plan of Reorganization jointly proposed by the Debtor, the Official Committee of Asbestos Creditors and the Future Claimants' Representative (the "Joint Plan"). On May 24, 2013, the Bankruptcy Court entered an order confirming the Joint Plan (the "Confirmation Order"). On September 30, 2014, the United States District Court for the Western District of Pennsylvania adopted, issued and affirmed the Confirmation Order (which Confirmation Order is now final and unappealable). On April 27, 2016, the Joint Plan became effective (the "Effective Date").

The essential elements of the Confirmed Plan included the creation of The Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust (the "Trust") to assume all liabilities for and with respect to all Channeled Asbestos PI Trust Claims (hereafter, "Asbestos PI Trust Claims"), and to use (a) the assets contributed to the Trust pursuant to the Joint Plan by PCC, PPG, the PPG Participating Insurers, the PCC Settled Insurers and Corning, (b) any other assets that may be contributed or acquired by the Trust from time to time, and (c) the proceeds and income from such assets (collectively, the "Asbestos Trust Assets") to resolve all Asbestos PI Trust Claims in accordance with the Trust Agreement and the Trust Distribution Procedures in such a way that holders of such claims are treated fairly, equitably and reasonably in light of the limited assets available to satisfy such claims, and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B) of the Bankruptcy Code. The Asbestos Trust Assets, as they relate to contributions from PPG, the PPG Participating Insurers and Corning, are limited to the contributions set forth in the PPG Trust Funding Agreement and the Corning Trust Funding Agreement, respectively.

The Trustees of the Trust are responsible for supervising and administering the Trust and utilizing the Trust's assets and income to pay the holders of all Asbestos PI Trust Claims in accordance with the terms of and the purposes set forth in the Trust Agreement and the Trust Distribution Procedures (TDP).

2. Summary of Significant Accounting Policies

Basis of presentation

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

- Assets are generally recorded when they are received by the Trust and are available for the payment of asbestos claims.

- Future fixed liabilities under contractual obligations and other agreements entered into by the Trust are recorded as deductions from net assets available for the payment of claims in the same period that such contractual obligations or agreements are signed. Under GAAP, liabilities and contractual obligations are recorded over the period that is benefited by the underlying contract or agreement.

- The full amounts of claims will be expensed in the period in which the confirmed claims are settled. A settled claim is a claim that has been allowed by the Trust and accepted by the claimant, with an approved release. 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. There were settled but unpaid claims of $163,574,015 and $7,222,852 as of December 31, 2018 and 2017, respectively. Total claims paid during the years ended December 31, 2018 and 2017, aggregated $974,402,737 and $169,656,973, respectively.

- 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.

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

- 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. Under GAAP, the provision for income taxes is recorded based upon income reported for financial statement purposes, and federal and state income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities. Under GAAP, deferred taxes include a provision for taxes attributable to changes in unrealized gains and losses on investments.

- Insurance recoveries are not recorded until the funds are received from the insurance carriers. These recoveries come from various insurance settlements, which were obtained by the Trust and related entities including Debtors and other affiliates and assigned to the Trust. The insurance policies cover, among other things, products and general liability claims. Future recoveries under such settlements have been assigned to the Trust pursuant to the Confirmed Plan. Under GAAP, asbestos insurance recoveries are recorded upon settlement and assurance of collectability.

- Under GAAP, for financial statement disclosure purposes all investments would be categorized based on the priority of inputs used to measure fair value. Under GAAP, inputs used in measuring fair value are categorized into three levels. Level 1 includes inputs that are based upon quoted prices for identical instruments traded in active markets. Level 2 includes inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment. Level 3 includes inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore

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determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques. The accompanying special-purpose financial statements do not categorize investments into these levels.

- The Investments in PCC and PCE are recorded at the value contributed to the Trust less any cash dividends that reduce the initial contributed value. Under GAAP, the assets, liabilities, equity, revenues and expenses of PCC and PCE would be consolidated with the activities of the Trust.

Use of estimates

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

Cash equivalents

The Trust considers all highly liquid instruments with original maturities of three months or less to be cash equivalents.

Investments

Investment securities are stated at fair market value. Fair market value for investment securities, other than alternative investments, 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. The fair market value for alternative investments is based on the Trust's proportionate share of each fund's net assets, as reported as of the date of the special-purpose financial statements. The net appreciation or depreciation in fair market value of investments in the accompanying special-purpose statement of changes in net assets available for the payment of claims consists of realized gains or losses on sales of investments and the changes in unrealized gains or losses on investments held. Investment income is recognized when earned. All interest and dividend income, net of investment expenses, are included in interest and dividend income in the accompanying special-purpose statements of changes in net assets available for the payment of claims. Gains and losses on sales of investment securities are determined using the average cost method.

Accrued expenses and accounts payable

Accrued expenses and accounts payable consist of accruals and outstanding invoices associated with managing and operating the Trust.

Operating expenses

Operating expenses of the Trust are paid from the net assets available for the payment of claims when invoices are received.

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Claims processing expenses

Claims processing expenses are paid from net assets available for the payment of claims when invoices are received.

Income taxes

The Trust is classified as a Qualified Settlement Fund pursuant to the Internal Revenue Code and Regulations thereunder (the Code). As a result, the Trust is subject to federal income taxes based on modified gross income, as defined by the Code. In the opinion of the Trustees and advisors, the Trust is not subject to state income taxes and, therefore, the special-purpose financial statements do not include any provision or liability for state income taxes. The Trust is generally no longer subject to income tax examinations by the Internal Revenue Service for the years ended December 31, 2015, and prior.

Income tax expense is estimated and includes amounts payable or receivable under current federal income taxes.

The Trust records income tax expense (or benefit) associated with amounts payable (or receivable) under current federal income taxes, and does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with changes in cumulative unrealized gains and losses on investments (see Note 5). The income taxes associated with gains on investments will be recorded in the Trust's special-purpose financial statements when the net gains are realized (i.e. the securities are sold) and the taxes become currently payable.

Reclassifications

Certain amounts in the special-purpose financial statements for the year ended December 31, 2017, have been reclassified to conform to the 2018 presentation. These reclassifications have no effect on the previously reported change in net assets available for the payment of claims.

Risks and uncertainties

The Trust's assets that are exposed to credit risk consist primarily of cash and cash equivalents and investments in equity securities, bonds, and alternative investments. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Trust has never experienced any losses related to these balances. Amounts on deposit in excess of federally insured limits at December 31, 2018, approximate $209.6 million.

The Trust invests in a professionally managed portfolio that contains common shares of publicly traded companies in the United States of America and internationally, U.S. government obligations, money market funds, and alternative investments. Such investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Trust's account balance and the amounts reported in the special-purpose statements of assets, liabilities and net assets available for the payment of claims.

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3. Related Parties

On July 19, 2016, pursuant to an agreement with several other Qualified Settlement Trusts, the Trust became a member of the Delaware Claims Processing Facility (DCPF), a Delaware limited liability company whose purpose is to operate a claims processing facility for the processing of asbestos and other mass tort claims. In accordance with a Master Claims Processing Agreement, the Trust has engaged DCPF as the Trust's claims processor, and on March 20, 2017, DCPF began processing the Trust's Asbestos Claims. As a Member Trust, the Trust pays DCPF for claims processing services under a cost-sharing arrangement. Expenses charged to the Trust under this arrangement include start-up fees, direct labor expense, other direct expenses, and an allocation of common costs.

During the years ended December 31, 2018 and 2017, the Trust recorded expenses related to the operation of DCPF of $7,558,114 and $8,731,533, respectively. There were no amounts payable to DCPF at December 31, 2018 and 2017.

4. Funding Under Joint Plan of Reorganization

In accordance with the Joint Plan and the Confirmation Order, the Trust was funded with the Asbestos Trust Assets as follows:

(a) On December 19, 2000, the Bankruptcy Court authorized the establishment of the Interim Qualified Settlement Fund pursuant to Treasury Regulations issued under 26 U.S.C. 468B into which insurance proceeds would be deposited and maintained pending confirmation of a plan of reorganization. On the Effective Date, in accordance with Section 9.1.1 of the Joint Plan, the Debtor transferred all amounts in the Interim Qualified Settlement Fund to the Trust, which totaled $157,036,622.

(b) The Debtor and PPG received an insurance-related settlement with the KWELM Management Services Limited, as appointed run-off agent for Kingscroft Insurance Company Limited, Walbrook Insurance Company Limited, El Paso Insurance Company Limited, Lime Street Insurance Company Limited, Mutual Reinsurance Company Limited and Bermuda Fire & Marine Insurance Company Limited (collectively, the "KWELM Companies"). By order dated December 10, 2004, the Bankruptcy Court, in accordance with Treasury Regulations issued under 26 U.S.C. 468B, authorized the establishment of a qualified settlement fund (the "KWELM QSF") into which insurance proceeds were deposited and maintained until confirmation of a plan of reorganization. On May 2, 2016, in accordance with Section 9.1.3 of the Joint Plan, the Debtor transferred all amounts in the KWELM QSF to the Trust, which totaled $28,824,595.

(c) In accordance with Section 8.2.6 of the Joint Plan, the Debtor executed all instruments necessary and provided the Trust with 10,000 shares of common stock of PCC (PCC Shares), representing all of the outstanding equity interests of PCC. The Treasury Regulations issued pursuant to 486B require the Debtor to obtain a qualified appraisal with respect to the transfer of certain property, including the PCC Shares. The appraisal was used to determine the basis in the PCC Shares for Pittsburgh Corning Corporation as well as the contributed value of the PCC Shares for the Trust. The initial contributed value of the PCC Shares to the Trust was $444,000,000.

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(d) In accordance with Section 9.1.3 of the Joint Plan, the Trust was to receive the "PPG Trust Contribution" which is further defined as the contributions to the Trust made by and/or on behalf of the PPG Entities, the PPG Affiliates, the PPG-Affiliated Parties, the PPG Participating Insurer Entities and the PPG Non-Participating Insurer Entities, as set forth in the PPG Trust Funding Agreement. The PPG Trust Contribution fully resolves and satisfies the alleged and disputed liabilities of PPG Entities, the PPG Affiliates, and the PPG-Affiliated Parties for the Asbestos PI Trust Claims. However, it is not binding and does not have a collateral estoppel effect on the PPG Non-Participating Insurers in any insurance coverage litigation regarding the insurance coverage obligations of the PPG Non-Participating Insurers. The PPG Trust Funding Agreement contained certain conditions precedent that were satisfied or waived that ultimately required PPG to make the following contributions to the Trust:

i. PPG was required to make cash contributions to the Trust in accordance with the PPG Note Agreement between PPG and the Trust. The PPG Note Agreement was executed on April 27, 2016 and required annual payments through June 30, 2023 totaling $824,850,360. The PPG Note Agreement also allowed for prepayment of the Note at any time by paying to the Trust an amount equal to the net present value (determined using a discount rate of 5.5% per annum) of the then remaining unpaid payments. On June 9, 2016, the Trust received $763,882,391 representing payment in full for the PPG Note Agreement, after factoring in the allowed 5.5% discount rate.

ii. PPG was required to issue or transfer to the Trust either 1,388,889 restricted shares of PPG's common stock or the cash equal to the value of 1,388,889 shares of PPG common stock, calculated on the basis of the average daily closing price of such stock on the New York Stock Exchange for a 20-day trading period ending on the third business day prior to the Funding Effective Date. On June 9, 2016, the Trust received a contribution of 2,777,778 shares of PPG common stock (as a result of a stock split that occurred on June 12, 2015 at PPG Industries, Inc.). On the date of transfer to the Trust, the 2,777,778 shares of PPG common stock were valued at $308,194,469. During the year ended December 31, 2017, the Trust received additional cash dividends on its investment in PPG common stock totaling $2,222,222. On various dates in June 2017 and July 2017, the Trust sold all of its shares of its investment in PPG stock such that as of December 31, 2017, the Trust's investment in PPG common stock was $0. The Trust recorded a realized gain on the sale of the PPG shares in the amount of $1,012,214, which is included in net appreciation in the fair value of investment securities within the special-purpose statements of changes in net assets available for the payment of claims for the year ended December 31, 2017.

iii. On the Funding Effective Date (June 9, 2016) in accordance with the PPG Trust Funding Agreement, PPG transferred to the Trust its 50% ownership interest in PCE. The initial contributed value of PPG's interest in PCE was $223,100,000 based on the value reported on PPG's §1.468B-3 Statement as is required to be filed under the Treasury Regulations.

(e) In accordance with Section 9.1.3 of the Joint Plan, the Trust was to receive the "Corning Trust Contribution", which is further defined as the contributions to the Trust made by and/or on behalf of the Corning Entities, the Corning Affiliates, the Corning-Affiliated Parties and/or the Corning Insurers, as set forth in the Corning Trust Funding Agreement.

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The Corning Trust Contribution fully resolves and satisfies the alleged and disputed liabilities of the Corning Entities, the Corning Affiliates, and the Corning-Affiliated Parties for the Asbestos PI Trust Claims; however, it is not binding and does not have a collateral estoppel effect on the Corning Insurers in any insurance coverage litigation regarding the insurance coverage obligations of the Corning Insurers. The Corning Trust Funding Agreement contained certain conditions precedent that were satisfied or waived that ultimately required Corning to make the following contributions to the Trust.

i. Corning is required to make contributions to the Trust in installments as outlined in the Corning Trust Funding Agreement. The installments may be made by Corning in cash or, at its sole and exclusive election, by transfer or issuance of the cash equivalent of such installment in restricted shares of Corning's common stock, the issuance and resale of which shall be subject to the terms and conditions set forth in the Corning Registration Rights Agreement. The number of shares to be issued to the Trust for any installment made in shares will be equal to the installment amount due on each date divided by the closing price of Corning common stock on the New York Stock Exchange two days prior to the relevant installment date. The Corning Trust Funding Agreement outlines the required installment payments as follows: $70,000,000 on June 9, 2017; $35,000,000 on June 9, 2018; $50,000,000 on June 9, 2019; $35,000,000 on June 9, 2020; $50,000,000 on June 9, 2021; and on June 9, 2022, $50,000,000 less any Direct Claim Costs and any Future Direct Claims Costs, which will be deposited into an escrow account. Prior to the six year anniversary of the Funding Effective Date (June 9, 2022), Corning is required to deposit an amount equal to the lesser of the Future Direct Claim Costs or $50,000,000 in an escrow account pursuant to the terms of the Escrow Agreement, and Corning and/or the Trust will be entitled to payment of the escrowed funds pursuant to the terms of the Escrow Agreement. With regard to the installment payments, the Corning Trust Funding Agreement allows for Corning to accelerate the payment of any installment in whole or in part at a per annum discount rate of 5.5% as of the accelerated payment date. As of December 31, 2018, no accelerated installment payments were made. During the years ended December 31, 2018 and 2017, the Trust received the $35,000,000 and $70,000,000 required payments, respectively, which are recorded as initial funding in the special-purpose statements of changes in net assets available for the payment of claims. In accordance with the special-purpose basis of accounting described in Note 2, the Trust has not recorded a receivable for the future installments. These amounts will be recorded as additions to net assets available for the payment of claims upon receipt of the cash payment.

ii. On the Funding Effective Date in accordance with the Corning Trust Funding Agreement, Corning transferred to the Trust its 50% ownership interest in PCE. The initial contributed value of Corning's interest in PCE was $223,100,000 based on the value reported on Corning's §1.468B-3 Statement as is required to be filed under the Treasury Regulations.

5. Investment Securities

Investments in bonds and equity securities consist of the following at December 31:

	2018			
Description	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Bonds	$ 2,228,884,374	$ -	$ (58,989,334)	$ 2,169,895,040
Equity securities	154,163,101	12,752,229	-	166,915,330
	$ 2,383,047,475	$ 12,752,229	$ (58,989,334)	$ 2,336,810,370

	2017			
Description	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Bonds	$ 2,475,641,786	$ -	$ (30,031,013)	$ 2,445,610,773
Equity securities	158,084,188	24,406,349	-	182,490,537
	$ 2,633,725,974	$ 24,406,349	$ (30,031,013)	$ 2,628,101,310

Net depreciation in the fair value of investment securities of $(68,771,353) and net appreciation of $52,367,175 for the years ended December 31, 2018 and 2017, respectively, consists of the net change in unrealized gains (losses) and net realized losses from investment sales.

Net unrealized gains and losses

The net change in unrealized gains and (losses) from market appreciation (depreciation) is comprised of the following investments for the years ended December 31, 2018 and 2017:

	2018	2017
Bonds	$ (28,958,321)	$ (5,993,750)
Equity securities	(11,654,120)	67,456,475
	$ (40,612,441)	$ 61,462,725

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Realized losses

Net realized losses from investment sales consist of the following for the years ended December 31, 2018 and 2017:

	2018	2017
Bonds	$ (20,142,718)	$ (6,031,819)
Equity securities	(8,016,194)	(3,063,731)
	$ (28,158,912)	$ (9,095,550)

Summary of changes in alternative investments

The table below sets forth a summary of changes in the fair value of the Trust's alternative investments for the years ended December 31, 2018 and 2017:

	2018	2017
Balance at the beginning of the year	$ 187,582,665	$ 45,436,026
Purchases	36,750,000	132,300,000
Return of excess capital called	(1,500,000)	(1,150,000)
Distributions/withdrawals	(2,723,919)	-
Net change in fair value	(13,924,357)	10,996,639
Balance at the end of the year	$ 206,184,389	$ 187,582,665

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Alternative investment categories

The major categories of the Trust's alternative investments, including general information related to each category, are as follows:

	Fair Value 2018	Fair Value 2017	Redemption Frequency (if Currently Eligible)	First/Next Redemption	Notice Period (days)	Gate
(a) Risk arbitrage fund	$ 17,964,651	$ 16,088,926	Monthly	January 31, 2019	45	0%
(b) Multi-strategy fund	16,446,446	16,088,134	Semi-annually	June 30, 2019	65	10%
(b) Multi-strategy fund	15,963,733	16,128,060	25% Quarterly	March 31, 2019	90	0%
(c) Energy, commodities, special opportunities fund	4,505,735	8,854,485	Not eligible	Not eligible	N/A	None
(d) Periodic payment receivables fund	42,846,332	39,451,413	Not eligible	Not eligible	N/A	None
(e) Appraisal rights fund	171,595	2,794,892	Not eligible	Not eligible	N/A	None
(f) Total return mutual fund	15,498,229	15,990,048	Daily	January 2, 2019	N/A	None
(g) Special opportunities fund	3,582,343	-	Not eligible	Not eligible	N/A	None
(h) International equity fund	38,587,604	44,826,332	Twice monthly	January 16, 2019	5	None
(h) International equity fund	27,547,463	27,360,375	Monthly	January 31, 2019	5	25%
(h) International equity fund	23,070,258	-	Monthly	January 4, 2019	0	None
	$ 206,184,389	$ 187,582,665				

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(a) The alternative investment in this category seeks to generate rates of return with a relatively low correlation to most major market indices. The investment strategy for this fund involves investing in the securities of companies involved in significant transactions, including mergers, acquisitions, tender offers, exchange offers, divestitures, spin-offs, and other corporate events. Using these strategies, the fund typically seeks to profit from the successful completion of a transaction by purchasing securities at a discount to the value that is expected to be realized if the transaction is completed. The fair value of the alternative investment in this category is estimated based on the Trust's proportionate share of the fund's net assets, as reported on the respective fund's financial statements as of December 31, 2018 and 2017.

(b) Alternative investments within this category use a variety of strategies to diversify risks and reduce volatility. These strategies include seeking capital appreciation through event-driven investments that seek to exploit situations in which announced or anticipated events create opportunities to invest in securities and other financial instruments at a discount to their exit values. Other strategies of funds in this category include investing in mergers and acquisitions, initial public offerings, opportunistic refinancings, credit investing, real estate, direct investments, long/short investing, spinoffs, bankruptcies, and restructurings. The fair value of the alternative investments in this category was estimated based on the Trust's proportionate share of each fund's net assets, as reported on the respective fund's financial statements as of December 31, 2018 and 2017.

(c) The alternative investment in this category seeks to provide investors with risk-adjusted returns comprised of current income and appreciation by investing in fixed income securities, equities, derivatives and other public and private securities related to the distressed energy and commodity sector. Fund investments may also include various hedging strategies to mitigate commodity risk for the fund including indexes, individual positions, outright commodity prices and capital arbitrage trades. The fair value of the alternative investment in this category is estimated based on the Trust's proportionate share of the fund's net assets, as reported on the respective fund's financial statements for the years ended December 31, 2018 and 2017.

(d) The alternative investment in this category seeks to generate risk-adjusted intermediate and long-dated cash flow producing returns by investing in period payment receivables. The assets permitted by the fund include: (1) period-certain and life-contingent structured settlement payment rights; (2) life insurance policies and/or other instruments that hedge the mortality risk of the lives of claimants related to life-contingent structured settlement payment rights; and (3) state lottery prize payments in certain states. The fair value of the alternative investment in this category is estimated based on the Trust's proportionate share of the fund's net assets, as reported on the respective fund's financial statements for the years ended December 31, 2018 and 2017.

(e) This alternative investment's objective is to generate high risk-adjusted returns. The fund seeks to achieve its investment objective by constructing a portfolio of investments in companies involved in publicly announced mergers, acquisitions, or other corporate transactions where statutory "appraisal" or "dissent" rights will be triggered and where the investment manager determines that the proposed transaction consideration undervalues the target security. The fair value of the alternative investment in this category is estimated based on the Trust's proportionate share of the fund's net assets, as reported on the respective fund's financial statements for the years ended December 31, 2018 and 2017.

(f) This alternative investment's objective is total return. The fund invests in a core portfolio generally comprised on an approximately equal mix of equity securities and cash equivalents. The Fund's equity investments will generally consist of a diversified portfolio of common stocks that seeks to approximate the pretax total return performance of the S&P500® Index. The fund's cash equivalent investments consist primarily of U.S. Treasury securities with a maximum remaining maturity of one year. The fund will write (sell) call options on the S&P 500® Index on substantially the full value of the fund's equity securities and write (sell) put options on the S&P 500® Index on substantially the full value of the Fund's cash equivalent holdings. The fair value of the investment in this category is estimated based on the net asset value per share of the fund and the number of shares held by the Trust at the valuation date, or December 31, 2018 and 2017.

(g) This alternative investment's objective is to invest in private and public securities and other financial instruments of companies that: (i) are (or are perceived to be) experiencing financial distress or are overleveraged; (ii) are attempting to complete an out-of-court restructuring; (iii) are involved in a bankruptcy, liquidation or similar proceeding; and/or (iv) are involved in substantial litigation. The fair value of the alternative investment in this category is estimated based on the Trust's proportionate share of the fund's net assets, as reported on the respective fund's financial statements for the years ended December 31, 2018 and 2017.

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(h) The international equity funds within this category invest primarily in equity securities, including common stocks, preferred stocks, warrants, participation notes, depository receipts, convertible bonds, and other securities which are convertible into or exchangeable for equity securities. The objective of these funds is to achieve growth of capital through investment in a professionally managed portfolio of international securities comprising both equity securities traded in financial markets located in Europe, Australasia, and the Far East. The securities within the funds invest in securities listed or traded on a regulated market; however, up to ten percent of the net asset value of the funds may be invested in transferrable securities which are not listed or traded on a regulated market. The fair values of the alternative investments in this category are estimated based on the Trust's proportionate share of the fund's net assets, as reported on the respective fund's financial statements for the years ended December 31, 2018 and 2017.

Certain alternative investments are made through limited partnerships, limited liability companies, and subscriptions. Under the terms of these arrangements, the Trust is obligated to remit additional funding periodically as capital calls are exercised by the manager. These funds have a limited existence, and such arrangements may provide for annual extensions for the purposes of disposing of portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, and other factors, a manager may extend the term of a fund beyond its original anticipated existence or may wind the fund down prematurely. As a result, the timing and amount of future capital liquidity calls expected to be exercised in any particular future year is uncertain. Unfunded commitments will be funded either by cash available in the investment portfolio or by liquidating other investments based on the Trust's assessment. The aggregate amount of unfunded commitments as of December 31, 2018, was $35,173,919 across three different investments.

6. Investment in Pittsburgh Corning Europe, N.V.

As part of the Modified Third Amended Plan of Reorganization, the Trust became the sole holder of the common stock of Pittsburgh Corning Europe, N.V. ("PCE") when the Trust received PPG's 50% ownership interest in PCE and Corning's 50% ownership interest in PCE on the Funding Effective date. PCE is located in Tessenderlo, Belgium. The Chairman and Chief Executive Officer of the Debtor also is the Chairman and Chief Executive Officer of PCE and the members of the Board of Directors of the Debtor are also the members of the Board of Directors of PCE. As outlined in Note 3, the value of the Trust's Investment in PCE as of the Funding Effective Date was $446,200,000, the value contributed by PPG and Corning. As described in Note 8, the Trust sold its investment in PCE in full during the year ended December 31, 2017.

7. Investment in Pittsburgh Corning Corporation

As part of the Modified Third Amended Plan of Reorganization, the Trust became the sole holder of the common stock of Pittsburgh Corning Corporation ("PCC") as of the Effective Date of the Plan. PCC is a Pennsylvania Corporation and is a global manufacturer of sustainable high-performance glass based products for the building, energy, and industrial markets. On the Effective Date, Amended and Restated Articles of Incorporation for the Reorganized Pittsburgh Corning Corporation were issued to prohibit the issuance of non-voting equity securities required by Section 1123(a)(6) of the Bankruptcy Code, to authorize the cancellation of existing Pittsburgh Corning Corporation Common Stock and the creation of shares of the Reorganized PCC Common Stock, which shares were issued to the Trust, and to effectuate the provisions of the Plan. The Board of Directors of the Reorganized PCC consists of the Chief Executive Officer and the Chief Financial Officer of Reorganized PCC and six other directors. As outlined in Note 3, the value of the Trust's Investment in PCC as of the Effective Date was $444,000,000, the value contributed by Pittsburgh Corning Corporation. During the year ended December 31, 2017, the Board of Directors of PCC declared a dividend payable on May 10, 2017 in the amount of $47,885,850 that was received by the Trust the

same day. In accordance with the special-purpose basis of accounting described in Note 2, the Trust reduced the value of the investment in PCC by the dividend amounts (Note 4). As described in Note 8, the Trust sold its investment in PCC in full during the year ended December 31, 2017.

8. Sale of Pittsburgh Corning Corporation and Pittsburgh Corning Europe, N.V.

On May 12, 2017, the Trust entered into a Stock Purchase Agreement for the sale of PCC and PCE to Owens Corning. The Stock Purchase Agreement contained customary terms and conditions for preliminary and final purchase price calculations, representations and warranties, covenants, closing conditions and post-closing liabilities.

On June 27, 2017, the Trust consummated the sale of PCC and PCE to Owens Corning. Upon closing, the Trust received $558,569,625 of which $322,401,691 was allocated to the sale of the shares of PCC and $236,167,934 was allocated to sale of the shares of PCE in accordance with the terms of the Stock Purchase Agreement.

In addition to payment of the Purchase Price to the Trust, Owens Corning also funded (a) an escrow account in the amount of $15,000,000 to secure payment by the Trust of any financial obligations, if any, due to post-closing adjustments of the Purchase Price and unpaid taxes of PCC and PCE that are attributable to pre-closing periods (the "Adjustment Escrow") and a separate escrow in the amount of $2,900,000 to secure liabilities incurred by the Trust with respect to breaches of the representations and warranties made by the Trust in the Stock Purchase Agreement (the "Indemnity Escrow").

On October 3, 2017, upon completion of the calculation of various balances as of the closing date in accordance with the Stock Purchase Agreement, the Trust and Owens Corning agreed to a final closing statement, pursuant to which the Purchase Price was adjusted upwards. The Trust subsequently received an additional payment in the amount of $3,946,345 from Owens Corning and $10,000,000 was released from the Adjustment Escrow to the Trust. Upon receipt of the funds in the aggregate amount of $12,746,284, after giving effect of related expenses, the Trust recorded a gain on the sale of $32,246,883. Of that gain, $2,088,237 was attributed to the sale of PCC and $30,158,646 was attributed to the sale of PCE.

As of December 31, 2017, $5,000,000 was held in the Adjustment Escrow and $2,900,000 was held in the Indemnity Escrow. The Stock Purchase Agreement provides that funds remaining in the escrow accounts after payment or reservation for claims, if any, are to be released to the Trust in December 2018. On December 27, 2018, the $2,900,000 held in the Indemnity Escrow was released to the Trust. Subsequent to year end on January 2, 2019, the $5,000,000 held in the Adjustment Escrow was released to the Trust.

9. Cimino Settlement

After the closing of the case, several law firms representing more than 2,200 former members of the Cimino Class (the "Cimino Claimants") informed the Trust that they intended to file over 2,200 Claims with the Trust arising out of the matter of Cimino et. al. v. Raymark Industries, Inc. et. al., No. 1:86 CV 0456, a case filed in 1986 in the United States District Court for the Eastern District of Texas (the "Cimino Claims"), asserting that the Cimino Claims are Pre-Petition Liquidated Claims under § 5.2 of the TDP. PCC was a defendant in that case. As a result, on March 17, 2017, the Trust filed a Motion to Reopen Chapter 11 Case Pursuant to 11 U.S.C. § 350 for the Limited Purpose of Clarifying and Interpreting Certain Provisions of the Trust Distribution Procedures Relating to Pre-

Petition Liquidated Claims (the "Motion to Reopen") simultaneously with a Motion for Clarification Regarding "Pre-Petition Liquidated Claims". The FCR supported the Trust's motion. On May 17, 2017, the Court entered a Mediation Referral Order referring the dispute to mediation. The parties reached a Settlement Agreement and on October 10, 2017, the Trust withdrew its original Motion to Reopen in favor of the Parties' Joint Motion to Re-Open Chapter 11 Case for the Limited Purpose of Approval of Settlement Agreement. The Order approving the Settlement Agreement between the Parties was entered on November 9, 2017. The Settlement Agreement provided that the parties were to resolve the issue of whether the Cimino Claims are Pre-Petition Liquidated Claims or Unliquidated Claims with the payment of a "Low Amount" upon the effective date of the Settlement Agreement and an additional "High Amount," depending on the outcome of an arbitration proceeding. Pursuant to the Settlement Agreement, on the effective date of the Settlement Agreement the Trust paid the Cimino Claimants $37,900,000, less the amount allocated for those who opted out or did not return a Release and Indemnity Agreement. The arbitration hearing was held October 29, 2018 in Washington, D.C. before three retired Federal District Court Judges. The arbitrators concluded that the Cimino Claimants do have Pre-Petition Liquidated Claims under § 5.2(a) of the Trust Distribution Procedures. After the decision of the arbitration panel and pursuant to the Settlement Agreement, the Trust paid the Cimino Claimants an additional $140,600,000, less the amount allocated for those who opted out or did not return a Release and Indemnity Agreement. The total paid to Cimino Claimants during the year ended December 31, 2018 is included in the "Cimino settlement expenses" in the special-purpose statement of net assets available for the payment of claims.

10. Income Taxes

During the years ended December 31, 2018 and 2017, the Trust made estimated tax payments and recorded income tax expense of $0 and $16,500,000, respectively.

On December 22, 2017, Congress passed the Tax Cuts and Jobs Act (the 2017 Tax Act) which reduced the income tax rate from 39.6% to 37% and modified the rules regarding the usability of certain net operating losses for the Trust beginning on January 1, 2018. As of December 31, 2017, the Trust had not generated any operating losses to offset future taxable income. During 2018, the Trust generated approximately $7,500,000 in net operating loss carryforwards. These net operating loss carryforwards generated after January 1, 2018, do not expire but can only be used to offset up to 80% of taxable income in future years as part of the 2017 Tax Act. In addition, there are no net operating loss carryback provisions under the 2017 Tax Act. As of December 31, 2018, the Trust has approximately $34,000,000 of net capital loss carryforwards available to offset future capital gains. These net capital loss carryforwards will expire, if not utilized, on various dates through 2023. Capital loss carryforwards created after January 1, 2018, may be carried back for three years and carried forward for five years. Capital loss carrybacks and carryforwards cannot create a net operating loss.

Additionally, as of December 31, 2018, the estimated deferred tax liability associated with unrealized gains on investments is approximately $17,100,000. As of December 31, 2017, the estimated deferred tax liability associated with unrealized gains on investments is approximately $2,100,000.

As disclosed in Note 2 to the special-purpose financial statements, the Trust does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with net operating loss carryforwards, net capital loss carryforwards, or cumulative unrealized gains and losses on investments.

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11. Insurance Recoveries

During the years ended December 31, 2018 and 2017, the Trust received insurance recoveries from insurers in the amount of $14,177,379 and $32,679,250, respectively. Under the terms of settlement agreements with certain insurance companies, the Trust may be entitled to future insurances recoveries. In accordance with the Trust's accounting policies, such insurance recoveries are recorded as additions to net assets available for the payment of claims when the funds are received from the insurance companies.

12. Contingent Liabilities

The Plan Documents (as defined in the Confirmed Plan) subject the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust. The probability of such claims cannot be reasonably determined. Accordingly, no associated liability has been recorded in the accompanying special-purpose financial statements. Such claims, if any, are not expected to be material. The Trust has obtained insurance for purposes of supporting its obligation to indemnify the Trustees.

13. Liability for Asbestos Claims

The settled but unpaid claims liability at December 31, 2018 and 2017 consists of personal injury claims that were settled but unpaid as of December 31, 2018 and 2017, respectively. These amounts were included in personal injury claim expenses in the accompanying special-purpose statements of changes in net assets available for the payment of claims for the years ended December 31, 2018 and 2017.

The ultimate number of Asbestos PI Trust Claims to be filed and the liability for all such claims is uncertain at this time. The net assets available for the payment of claims at December 31, 2018 and 2017 represent funding available for all Asbestos PI Trust Claims for which no fixed liability has yet been established. The net assets available for the payment of claims at December 31, 2018 and 2017 may or may not be sufficient to meet all future obligations of the trust.

14. Trust Liability Insurance

The Trust purchased liability insurance requiring premiums of $555,360 and $12,369 during the years ended December 31, 2018 and 2017, respectively. The current policy term is from April 26, 2018 through April 26, 2020. The Trust's accounting policy is to expense in the current period any amounts that will not be available to pay future Asbestos PI Trust Claims or expenses of the Trust. Accordingly, $555,360 and $12,369 was recorded as a deduction in net assets available for the payment of claims during the years ended December 31, 2018 and 2017, respectively.

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15. Trustees, Trust Advisory Committee, Future Claimants' Representative and Delaware Claims Processing Facility Board of Managers

Fees and expenses of the Trustees, Trust Advisory Committee, Future Claimants' Representative, and related counsels, and the Delaware Claims Processing Facility (DCPF) Board of Managers for the years ended December 31, 2018 and 2017 were:

	2018			
	Fees	Retainer	Expenses	Total
Trustees	$ 926,315	$ 180,000	$ 45,080	$ 1,151,395
Future Claimants' Representative	21,300	-	74	21,374
Future Claimants' Representative Counsel	175,697	-	4,249	179,946
Trust Advisory Committee	3,805	-	474	4,279
Trust Advisory Committee Counsel	170,807	-	2,002	172,809
DCPF Board of Managers	50,250	-	-	50,250
	$ 1,348,174	$ 180,000	$ 51,879	$ 1,580,053

	2017			
	Fees	Retainer	Expenses	Total
Trustees	$ 1,248,608	$ 180,000	$ 87,487	$ 1,516,095
Future Claimants' Representative	65,040	-	758	65,798
Future Claimants' Representative Counsel	732,778	-	39,021	771,799
Trust Advisory Committee	4,740	-	552	5,292
Trust Advisory Committee Counsel	622,478	-	26,224	648,702
DCPF Board of Managers	43,875	-	-	43,875
	$ 2,717,519	$ 180,000	$ 154,042	$ 3,051,561

The above amounts are included in operating expenses in the special-purpose statements of changes in net assets available for the payment of claims for the years ended December 31, 2018 and 2017.

16. Subsequent Events

The Trust has evaluated its December 31, 2018, special-purpose financial statements for subsequent events through April 23, 2019, the date the special-purpose financial statements were available to be issued. Other than the funds committed for specific alternative investments to be funded in subsequent years as described in Note 5, and the release of the Adjustment Escrow on January 2, 2019, as described in Note 8, the Trust is not aware of any subsequent events which would require recognition or disclosure in the special-purpose financial statements.

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The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

Supplementary Information

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Independent Auditor's Report on Supplementary Information

Trustees
The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust
Pittsburgh, Pennsylvania

Our audit of the special-purpose financial statements included in the preceding section of this report was conducted for the purpose of forming an opinion on those special-purpose statements as a whole. The supplementary information presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the special-purpose 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 special-purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose 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 special-purpose financial statements as a whole.

BDO USA LLP

April 23, 2019

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The Pittsburgh Corning Corporation
Asbestos Personal Injury Settlement Trust

Supplementary Schedules of Operating Expenses

Years Ended December 31,	2018	2017
Investment advisory and management fees	$ 4,289,483	$ 3,935,572
Consulting services	2,642,446	2,736,312
General legal fees	1,519,339	1,749,558
Trustee fees, retainer, and expenses	1,151,395	1,516,095
Trust liability insurance	555,360	12,369
Accounting, finance and tax fees	454,854	467,251
Future Claimants' Representative Counsel fees and expenses	179,946	771,799
Trust Advisory Committee Counsel fees and expenses	172,809	648,702
Trust meeting fees and expenses	84,764	92,945
DCPF Board of Managers	50,250	43,875
Future Claimants' Representative consulting services	24,489	69,022
Future Claimants' Representative fees and expenses	21,374	65,798
Trust Advisory Committee fees and expenses	4,279	5,292
Total operating expenses	$ 11,150,788	$ 12,114,590

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

In re:	)	
	)	Chapter 11
PITTSBURGH CORNING	)	
CORPORATION	)	Case No. 00-22876 TPA
	)	
Reorganized Debtor.	)	Doc. No. ____

CERTIFICATE OF SERVICE

I certify under penalty of perjury that on April 23, 2019, the Notice of Filing of Annual Report and Account filed by the Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust for Fiscal Year Ending December 31, 2018 was served on the parties below by electronic mail as shown:

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Dated: April 23, 2019

Respectfully submitted,

CAMPBELL & LEVINE, LLC

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