FILED
UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
APR 28 2011
KENNETH S. GARDNER, CLERK
PS REP. - AI

Plibrico 524(g) Asbestos Trust

Plibrico Silica Trust

ANNUAL REPORT FOR THE YEAR ENDING DECEMBER 31, 2010

Pursuant to Articles 6.5 and 6.6 of Debtors' Third Amended Joint Plan of Reorganization Dated January 30, 2006 (the "**Plan**"), Article 3.2(c) of the Plibrico Silica Trust Agreement ("**Silica Trust Agreement**"), and Article 3.2 of the Plibrico 524(g) Asbestos Trust Agreement ("**Asbestos Trust Agreement**") (collectively, the "**Trust Agreements**"), the Trustee of the Plibrico Silica Trust ("**Silica Trust**") and the Plibrico 524(g) Asbestos Trust ("**Asbestos Trust**"), Alfred M. Wolin (the "**Trustee**"), makes the following Annual Report for the year ending December 31, 2010 (the "**Annual Report**").

Although the Asbestos Trust and the Silica Trust are two distinct trusts, both were established by this Court as a result of the confirmation of the Plan. Moreover, this Court appointed the Trustee to serve for both trusts, and appointed the same Futures Representative and Trust Advisory Committee ("**TAC**") for both trusts. Under the terms of the Asbestos Trust Agreement approved by this Court, the Asbestos Trust pays all the operating expenses of the Silica Trust. Thus, although the trusts are distinct, the Trustee offers this joint report to satisfy the reporting requirements of the respective Trust Agreements of the Silica Trust and the Asbestos Trust.

A. Financial Statements

Article 3.2(c)(i) of each Trust Agreement requires the Annual Report to include:

> [F]inancial statements of the . . . Trust (including, without limitation, a balance sheet of the . . . Trust as of the end of such fiscal year and a statement of operations for such fiscal year) audited by a firm of independent certified public accountants selected by the Trustee and accompanied by an opinion of such firm

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> that such financial statements present fairly in all material respects the financial portion of the . . . Trust as of such year end and the results of its operations as of the year then ended in conformity conform with accounting principles generally accepted in the United States.

Attached as Exhibit 1.A is a copy of the financial statements with Independent Auditors' Report for the Asbestos Trust for the year ending December 31, 2010 (the "**Audited Financial Statements**"). As required, the auditor for the Trusts, Bederson & Company LLP, has provided an opinion as to the fairness of the financial statements' presentation and of their conformity with generally accepted accounting principles. The auditor's opinion expressly provides that it is intended for the use of this Court.

Attached as Exhibit 1.B is a copy of the financial statements for the Silica Trust for the year ending December 31, 2010 (the "**Silica Financial Statements**"). No claims were filed with the Silica Trust in 2010. Given this, as well as the fact that the Asbestos Trust pays the expenses of the Silica Trust, the Trustee did not incur the expense of preparing audited financial statements for the Silica Trust. The Trustee will have audited financial statements prepared for the Silica Trust if future circumstances warrant.

B. Claims Summary

Article 3.2(c)(ii) of each Trust Agreement requires the Annual Report to include "a summary regarding the number and type of claims disposed of during the period covered by the financial statements." Verus Claims Services, LLC acts as the Asbestos Trust's claims processing agent. Attached as Exhibit 1.C is a summary of claims processed and paid by the Asbestos Trust in 2010.

Section 2.4 of the Asbestos Trust Distribution Procedures ("**Asbestos TDP**") provides for the determination of the Maximum Annual Payment ("**MAP**"). The MAP is one of the mechanisms employed by the Asbestos Trust to ensure that funds will be available to pay present

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and future claimants as similarly as possible. The Asbestos TDP directs the Asbestos Trust to pay each year all the income earned by the Asbestos Trust during that year, together with a portion of the principal, calculated so that distribution of the Asbestos Trust's funds over the years will correspond to the anticipated flow of claims. The distribution of those funds to claimants in any given year shall not exceed the MAP for that year. Section 2.5 of the Asbestos TDP sets the claims payment ratio at 65% percent for Category A claims and 35% for Category B claims, as those claims are defined in the Asbestos TDP. Accordingly, 65% of the MAP for each year is available to pay Category A claimants, while 35% is available to pay Category B claimants. If the MAP is reached for either Category of claims in a given year, the remaining claims for which there are insufficient funds are carried over to the next year and placed at the head of the Asbestos Trust's claims processing queue.

Payments made to Category A claimants reached the MAP for 2010 during the first quarter of the Reporting Period. Payments to those claimants resumed in 2011 to the extent permitted by the MAP limits for that year. Notice of the suspension of Category A payments was provided to claimants and posted on the Asbestos Trust's website.

Payments to Category B claimants were processed throughout the Reporting Period. The MAP for Category B claims was not reached in 2010. As provided for in the TDP, the excess funds available to Category B claimants have been rolled over and will remain dedicated to the resolution of Category B claims.

During the Reporting Period, the Silica Trust received no claims.

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C. Trustee Fees

Article 5.5 of the Trust Agreements provides that the Annual Report shall include a description of the amounts paid to the Trustee in 2010. The Audited Financial Statements attached as Exhibit 1.A set forth the amount paid to the Trustee during the Reporting Period.[1]

D. Trust Advisory Committee Fees

During the Reporting Period, the Asbestos Trust reimbursed members of the TAC, who are the same for the Asbestos Trust and the Silica Trust, $2,424 in reasonable out-of-pocket expenses. The Asbestos Trust also paid $24,858 in fees and reasonable out-of-pocket expenses to counsel for the TAC. The current members of the TAC are Russell T. Budd, John D. Cooney, Steven Kazan, Bruce E. Mattock, and Thomas M. Wilson. Former TAC member James Bedortha resigned his position effective March 30, 2010. The remaining TAC members and Futures Representative unanimously appointed Bruce E. Mattock to replace Mr. Bedortha effective March 31, 2010.

E. Futures Representative Fees

Article 6.5(a) of the Trust Agreements provides that the Annual Report will include a description of the amounts paid to the Futures Representative in 2010. Dean Trafelet is the Futures Representative for both the Asbestos Trust and Silica Trust. The Audited Financial Statements attached as Exhibit 1.A set forth the amounts paid in fees and expenses to the Futures Representative during the Reporting Period.[2]

F. Trust Investments

The Trustee devoted significant efforts in 2010 to the investment of the Trusts' liquid assets. The Trustee conferred regularly with the Trusts' investment advisor, Brown Brothers

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[1] *See* Audited Financial Statements at 3.
[2] *Id.*

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Harriman & Co. (**"BBH"**). BBH advises the Trusts on asset allocation, liquidity management, and the Trust's selection and oversight of its investment managers. The investments of the Asbestos Trust are disclosed in detail in the Audited Financial Statements attached as Exhibit 1.A (*see* Note 3), and the investments of the Silica Trust are disclosed in detail in the Silica Financial Statements attached as Exhibit 1.B (*see* Note 3).

G. Reorganized Plibrico

As previously reported, the Reorganized Plibrico Company was dissolved in 2009.

H. Meetings

In fulfillment of the meeting requirements contained in the Trust Agreements, during the Reporting Period, the Trustee held meetings with the TAC, the Futures Representative, Trust counsel, and other Trust professionals on the following dates: March 18, 2010, June 22, 2010, and November 16, 2010.

I. Significant Events During the Reporting Period

1. Adjustment to the Payment Percentage

During the latter part of the Reporting Period, the Trustee requested a re-determination of the Asbestos Trust's payment percentage, which last was adjusted in 2007. The Asbestos TDP provides for the Trustee to review the payment percentage no less frequently than once every three years, but also at shorter intervals if warranted by events affecting the Asbestos Trust's ability to pay present and future claimants in a substantially equivalent manner. In November 2010, the Trustee directed Dr. B. Thomas Florence of Analysis Research Planning Corporation, claims processing consultants to the Asbestos Trust, to prepare an updated claims forecast following several unforeseen events, including (1) a substantial rise in filings of Category A malignancy claims, (2) a significantly greater percentage of approved malignancy claims than estimated, (3) a surge in claim filings preceding a statute-of-limitations deadline, and (4) an

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influx of foreign claims filed with the Asbestos Trust. Based on his updated claims estimate, Dr. Florence recommended that the payment percentage be adjusted to 1.2%. This recalculation was based on current estimates of the number, types, and values of present and future claims, the value and liquidity of the assets currently available to the Asbestos Trust, and the Asbestos Trust's expected future income and expenses.

The Trustee consulted with the TAC and Futures Representative throughout this process, and, on March 1, 2011, the TAC and Futures Representative consented to the Trustee's decision to accept the recommendation of Analysis Research Planning Corporation to adjust the payment percentage to 1.2% for all claims. Pursuant to the Asbestos TDP, this adjusted payment percentage will be applied to all claims at the time of payment.

In conjunction with the adjustment to the Payment Percentage, the Trustee decided that going forward, the payment percentage would be re-determined on an annual basis, if not more frequently, based on monthly claims data received from Verus Claims Services, LLC.

2. Successor Trustee

Effective January 1, 2011, Marc E. Wolin, with the consent of the TAC and Futures Representative, was selected to replace Alfred M. Wolin as Trustee of the Asbestos Trust and the Silica Trust.

J. Additional Information

For additional information regarding the financials or operations of the Asbestos Trust and Silica Trust, please contact the Trusts' General Counsel: Kevin E. Irwin, Keating Muething & Klekamp PLL, One East Fourth Street, Suite 1400, Cincinnati, Ohio 45202. Additional information is available on the Trust's website at http://www.plibricotrust.com.

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Exhibit 1.A
Audited Asbestos Financial Statements

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PLIBRICO 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2010



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PLIBRICO 524(g) ASBESTOS TRUST

SETTLEMENT TRUST

DECEMBER 31, 2010

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Bederson & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

405 Northfield Avenue, West Orange, New Jersey 07052 • (973) 736-3333 • Fax: (973) 736-3367

INDEPENDENT AUDITORS' REPORT

To the Trustees of
Plibrico 524(g) Asbestos Trust

We have audited the special-purpose balance sheet of Plibrico 524(g) Asbestos Trust (the "Trust") as of December 31, 2010, and the related special-purpose statements of changes in assets and liabilities, and cash flows for the year then ended. These financial statements are the responsibility of the Plibrico 524(g) Asbestos Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the accompanying financial statements were prepared on a special-purpose basis of accounting in order to communicate the amount of net assets presently available for current and future claimants and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and trust equity of the Plibrico 524(g) Asbestos Trust as of December 31, 2010, and the results of its operations and its cash flows for the year then ended in conformity with the special-purpose basis of accounting described in Note 2.

This report is intended solely for the information and use of the management of the Trust, the Trustees, the beneficiaries of the Trust, and the United States Bankruptcy Court for the Southern District of Texas, and should not be used for any other purpose.

BEDERSON & COMPANY LLP

Bederson & Company LLP

West Orange, New Jersey
March 31, 2011

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PLIBRICO 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE BALANCE SHEET

DECEMBER 31, 2010

ASSETS

Cash and cash equivalents	$ 366,512
Investments:	
Brown Brothers Investments	134,456,507
Interest receivable	958,145
Total Investments	135,414,652
Other Assets:	
Prepaid assets	13,800
Due from Silica Trust	18,481
Total Other Assets	32,281
TOTAL ASSETS	$ 135,813,445

LIABILITIES AND TRUST EQUITY

LIABILITIES:	
Settled claims payable	$ 13,960,366
Accounts payable	29,200
Total Liabilities	13,989,566
TRUST EQUITY:	
Trust corpus	121,823,879
TOTAL TRUST EQUITY	121,823,879
TOTAL LIABILITIES AND TRUST EQUITY	$ 135,813,445

The accompanying notes are an integral part of these financial statements.

PLIBRICO 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED DECEMBER 31, 2010

ADDITIONS:	
Investment income, net:	
Interest income	$ 4,383,166
Investment advisory fees	(239,298)
Realized gain on sale of securities, net	1,718,119
Unrealized gain on investments, net	776,030
TOTAL ADDITIONS	6,638,017
DEDUCTIONS:	
Claims settled (as amended, see Note 4)	(25,156,393)
General and administrative:	
Claims consulting and forecasting fees	110,615
Claims processing fees	663,987
Insurance	42,188
Accounting	32,383
Other	6,710
Professional fees:	
Trust general counsel	169,747
Legal - other	10,749
Legal representative fees and expenses	7,749
Legal representative attorney fees and expenses	7,679
TAC expenses	2,424
TAC attorney fees	24,858
Trustee	142,929
TOTAL DEDUCTIONS (net)	(23,934,375)
NET INCREASE IN TRUST CORPUS	30,572,392
TRUST CORPUS - beginning	91,251,487
TRUST CORPUS - ending	$ 121,823,879

The accompanying notes are an integral part of these financial statements.

PLIBRICO 524(g) ASBESTOS TRUST

SPECIAL-PURPOSE STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net increase in trust corpus	$ 30,572,392
Adjustments to reconcile net increase to net trust corpus from operating activities:	
Realized gain on sale of securities, net	(1,718,119)
Unrealized gain on investments, net	(776,030)
Decrease in:	
Prepaid assets	19,988
Decrease in:	
Settled claims payable	(33,931,482)
Accounts payable	(206,085)
NET CASH USED BY OPERATING ACTIVITIES	(6,039,336)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	153,196,249
Purchase of investments	(147,067,175)
Increase in interest receivable on investments	(12,096)
NET CASH PROVIDED BY INVESTING ACTIVITIES	6,116,978
NET INCREASE IN CASH AND CASH EQUIVALENTS	77,642
CASH AND CASH EQUIVALENTS - beginning	288,870
CASH AND CASH EQUIVALENTS - ending	$ 366,512

The accompanying notes are an integral part of these financial statements.



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NOTE 1 - ORGANIZATION

The Plibrico 524(g) Asbestos Trust (the "Trust") was established on March 1, 2006 and is a "qualified settlement fund" pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under section 468B of the Internal Revenue Code. The Trust will assume all Asbestos Personal Injury Claims (whether now existing or arising at any time hereafter) and to use the Trust assets to pay holders of such Asbestos Personal Injury Claims in accordance with the Asbestos Trust Agreement and the Asbestos Trust Distribution Plan.

The Plibrico Asbestos Trust is obligated to pay expenses on behalf of the Plibrico Silica Trust. The Silica Trust qualifies under the "qualified settlement fund" pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under section 468B of the Internal Revenue Code. The purpose of the Silica Trust is to assume the liabilities for all Silica personal injury claims.

The financial statements include the expenses paid on behalf of the Silica Trust as permitted by the Trust.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Trust's financial statements are prepared using special-purpose accounting methods adopted by the Trustees which differ from accounting principles generally accepted in the United States of America. 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.

The special-purpose accounting methods include the following:

Trust Equity

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

Claim Expense

Claims are expensed in the period in which the confirmed claims are settled. 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.



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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (continued)

Payments for Services

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.

Cash Equivalents

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

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.

Investments

Investments are classified as available for sale and stated at fair value. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In accordance with FASB ASC 820-10-50, *Fair Value Measurements* establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. Government and agency mortgage-backed debt securities, corporate-debt securities and alternative investments.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity instruments and alternative investments.



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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)
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. In addition, 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.

Income Taxes
The Trust has elected to be treated as a Qualified Settlement Fund under the Internal Revenue Code and Regulations. As a result, the Trust is subject to federal income taxes based on modified gross income. 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. There was no federal income tax expense for the year ended December 31, 2010.

U.S. federal income tax returns prior to the year 2007 are closed under statute of limitations.

Net operating losses expiring in 2029, which approximates $494,000, are available to offset future taxable income generated by the Trust. The Trust also has a capital loss carryforward of $1,963,000 that may be offset against future taxable capital gains, expiring 2014.

Estimates
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to Trust Corpus during the reporting period. Actual results could differ from those estimates.

Subsequent Events
The Trust has evaluated subsequent events through March 31, 2011, which is the date the financial statements were available to be issued.

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NOTE 3 - INVESTMENTS

Investments consist of the following at December 31, 2010:

U.S. Treasury obligations	$ 1,484,558
Mutual funds	30,792,607
Corporate debentures	7,030,431
Municipal bonds	63,816,337
Asset-backed securities	24,355,547
Mortgage-backed obligations	7,935,172
	135,414,652
Less: Interest receivable	(958,145)
	$ 134,456,507

Future maturities of investments as of December 31, 2010, were as follows:

Within 1 year	$ 7,030,430
1 to 4.99 years	17,619,611
5 to 9.99 years	11,206,447
10 to 14.99 years	12,985,627
15 to 19.99 years	9,077,087
Thereafter	46,702,843
	104,622,045
Investments with no stated maturity	30,792,607
	$ 135,414,652

Fair value of U.S. Treasury obligations is determined based on quoted prices in active markets for identical assets (Level 1). Fair values of the remaining investments are determined based on quoted prices for similar assets or liabilities (Level 2).

NOTE 4 - CLAIMS PAYABLE

Effective March 1, 2011, pursuant to the Amended and Restated Asbestos Trust Distribution Procedures, the Trustee adjusted the payment percentage from 8.5% to 1.2%. Unpaid settled claims at December 31, 2010, will receive payment on the gross liquidated value of their claims at the percentage in effect at the time of payment. The adjustment to claims payable at December 31, 2010, based on retroactive application of the revised payment percentage amounted to $84,925,563.

NOTE 5 - RELATED PARTY TRANSACTIONS

As of December 31, 2010, the Trust advanced funds to Plibrico 524(g) Silica Trust in the amount of $18,481. This advance is non-interest bearing with no definite replacement terms.

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Exhibit 1.B
Silica Financial Statements

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PLIBRICO 524(g) SILICA TRUST

SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2010



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PLIBRICO 524(g) SILICA TRUST

DECEMBER 31, 2010

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Trustees of
Plibrico 524(g) Silica Trust

We have reviewed the accompanying special-purpose balance sheet of Plibrico 524(g) Silica Trust as of December 31, 2010, and the related special-purpose statements of changes in assets and liabilities, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial date and making inquiries of Trust management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with special purpose basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

As described in Note 2, the accompanying special-purpose financial statements were prepared on a special-purpose basis of accounting in order to communicate the amount of net assets presently available for current and future claimants and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying special-purpose financial statements in order for them to be in conformity with the special-purpose basis of accounting.

This report is intended solely for the information and use of the management of the Trust, the Trustees, the beneficiaries of the Trust, and the United States Bankruptcy Court for the Northern District of Illinois, and should not be used for any other purpose.

BEDERSON & COMPANY LLP

Bederson & Company LLP

West Orange, New Jersey
March 31, 2011

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PLIBRICO 524(g) SILICA TRUST

SPECIAL-PURPOSE BALANCE SHEET

DECEMBER 31, 2010

ASSETS

Cash	$ 43,173
Investments:	
Brown Brothers investments	4,660,000
Interest receivable	1,089
Total Investments	4,661,089
TOTAL ASSETS	$ 4,704,262

LIABILITIES AND TRUST EQUITY

LIABILITIES:	
Due to Asbestos Trust	$ 18,481
TRUST EQUITY:	
Trust corpus	4,685,781
TOTAL LIABILITIES AND TRUST EQUITY	$ 4,704,262

See Independent Accountants' review report and accompanying notes to financial statements.

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PLIBRICO 524(g) SILICA TRUST

SPECIAL-PURPOSE STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED DECEMBER 31, 2010

ADDITIONS:	
Investment income, net:	
Interest income	$ 10,475
Investment advisory fees	(8,240)
Total investment income, net	2,235
NET INCREASE IN TRUST CORPUS	2,235
TRUST CORPUS - beginning	4,683,546
TRUST CORPUS - ending	$ 4,685,781

See Independent Accountants' review report and accompanying notes to financial statements.



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PLIBRICO 524(g) SILICA TRUST

SPECIAL-PURPOSE STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2010

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:	
Net increase in trust corpus	$ 2,235
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	25,000
Increase in interest receivable on investments	(674)
NET CASH PROVIDED BY INVESTING ACTIVITIES	24,326
NET INCREASE IN CASH	26,561
CASH - beginning	16,612
CASH - ending	$ 43,173

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NOTE 1 - ORGANIZATION

The Plibrico 524(g) Silica Trust (the "Trust") was established on March 1, 2006 and is a "qualified settlement fund" pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under section 468B of the Internal Revenue Code. The Trust assumes all Silica Personal Injury Claims (whether now existing or arising at any time hereafter) and to use the Trust assets to pay holders of such Silica Personal Injury Claims in accordance with the Silica Trust Agreement and the Silica Trust Distribution Plan.

The Plibrico 524(g) Asbestos Trust is obligated to pay expenses on behalf of the Trust. The Trust qualifies under the "qualified settlement fund" pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under section 468B of the Internal Revenue Code. The purpose of the Silica Trust is to assume the liabilities for all Silica personal injury claims.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Trust's financial statements are prepared using special-purpose accounting methods adopted by the Trustees 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.

The special-purpose accounting methods include the following:

Trust Equity

Trust equity represents funds available to pay Silica related claims that have been submitted but not processed or not yet submitted. Trust expenses are also paid from trust equity. Under GAAP, trust equity would be reduced for estimates of amounts to be paid for claims that have been submitted, but not processed or not yet submitted.

Claim Expense

Claims are expensed in the period in which the confirmed claims are settled. 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.

Payments for Services

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.



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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Equivalents
The Trust considers all short-term investments with a maturity of three (3) months, or less to be cash equivalents.

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.

Investments
Investments are classified as available for sale, and stated at fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In accordance with FASB ASC 820-10-50, *Fair Value Measurements* establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. Government and agency mortgage-backed debt securities, corporate-debt securities and alternative investments.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity instruments and alternative investments.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

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. In addition, 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.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to Trust Corpus during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Trust has elected to be treated as a Qualified Settlement Fund under the Internal Revenue Code and Regulations. As a result, the Trust is subject to federal income taxes based on modified gross income. 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. There was no federal income tax expense for the year ended December 31, 2010.

U.S. federal income tax returns filed prior to 2007 are closed under statutes of limitations.

Net operating losses expiring in 2028, which approximate $11,000, are available to offset future taxable income generated by the Trust.

Subsequent Events

The Trust has evaluated subsequent events through March 31, 2011, which is the date the financial statements were available to be issued.

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NOTE 3 - INVESTMENTS

Brown Brothers Investments, totaling $4,661,089 at December 31, 2010, consist of municipal bonds.

Future maturities of investments as of December 31, 2010, are as follows:

Within one year	$ -
One to five years	765,231
Five to ten years	200,050
Ten to fifteen years	400,109
Fifteen to twenty years	400,089
Thereafter	2,895,610

Fair value of these investments is determined based on quoted prices for similar assets or liabilities (Level 2).

NOTE 4 - RELATED PARTY TRANSACTIONS

As of December 31, 2010, Plibrico 524(g) Asbestos Trust advanced funds to the Trust in the amount of $18,481. This advance is non-interest bearing with no defined repayment terms.

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Exhibit 1.C
Claims Report

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Plibrico Asbestos Trust
Report of Asbestos Personal Injury Claim Activity and Disposition
From January 1, 2010 through December 31, 2010

	Number of Claims Filed	Number of Claims Qualified for Payment	Number of Claims Rejected	Liquidated Value of Qualified Claims	Number of Approved Claims Paid	Amount Paid on Approved Claims
Category A						
Severe Asbestosis (Level III)	761	115	37	$ 13,742,975	15	$ 153,000
Other Cancer (Level IV)	3,361	480	7	32,025,054	42	234,425
Lung Cancer 2 (Level III)	1,935	149	-	7,511,523	21	90,091
Lung Cancer 1 (Level VI)	7,328	796	15	100,869,171	107	1,154,154
Mesothelioma (Level VII)	5,481	805	1	389,682,804	99	3,712,840
Category A Subtotal:	18,866	2,345	60	$543,831,527	284	$ 5,344,509
Category B						
Other Asbestos Disease (Level I)	31,706	5,032	273	$ 7,548,000	5,134	$ 654,585
Asbestosis/Pleural Disease (Level II)	30,478	2,308	392	34,620,000	2,125	2,708,228
Category B Subtotal:	62,184	7,340	665	$ 42,168,000	7,259	$ 3,362,813
Unknown Disease	13,385	-	-	-	-	-
Grand Total:	94,435	9,685	725	$585,999,527	7,543	$ 8,707,322

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