UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	**:**	**Chapter 11**
T H AGRICULTURE & NUTRITION, L.L.C.,	**:**	**Case No. 08-14692 (REG)**
Debtor.	**:**	

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ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE T H AGRICULTURE & NUTRITION, L.L.C. ASBESTOS PERSONAL INJURY TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2020

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David F. Levi and Charles A. Koppelman (collectively, the "Trustees"), as Trustees of the T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust (the "Trust"), respectfully file this Annual Report, Financial Statements and Results of Operations for Fiscal Year Ended December 31, 2020 (the "Report"), pursuant to the First Amended Prepackaged Plan of Reorganization of T H Agriculture & Nutrition, L.L.C., Under Chapter 11 of the Bankruptcy Code (the "Plan") and the T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust Agreement (the "Trust Agreement").

I. General

On November 24, 2008, T H Agriculture & Nutrition, L.L.C. ("THAN" or the "Debtor") filed a petition for relief under Chapter 11 of the United States Bankruptcy Code. THAN's bankruptcy case is being administered under Case No. 08-14692. On May 28, 2009, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") confirmed the Plan, and on October 26, 2009, the United States District Court for the Southern District of New York (the "District Court") affirmed the Bankruptcy Court's decision (the "Confirmation Order").

To address the substantial asbestos-related liabilities of the Debtor, the Plan established the Trust in accordance with the Trust Agreement. On November 30, 2009, the Effective Date[1] of the Plan, the Trust was created and funded with $900 million in assets. *See* Plan, section 9.4(f). The Trustees of the Trust during 2020 were David F. Levi and Charles A. Koppelman.

Under the Trust Agreement, the Trust Advisory Committee ("TAC") represents all holders of present Asbestos PI Claims, and the Future Claimants' Representative ("FCR") represents the holders of future Asbestos PI Claims. *See* Trust Agreement, sections 6.2 and 7.2.

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

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The TAC members are Steven Kazan, Alan R. Brayton, John D. Cooney, Peter A. Kraus, Matthew Bergman, Steven T. Baron, Perry Weitz, and Perry J. Browder. The FCR is Samuel Issacharoff.

The Trust Agreement, at Section 2.2(g), requires that the Trust meet with the TAC and FCR no less often than quarterly. During 2020, the Trust held quarterly meetings with the TAC and the FCR on February 11, 2020, May 4, 2020, September 21, 2020, and November 16, 2020.

The Trustees generally held weekly Trustees' meetings throughout 2020 by telephone, beginning on January 6, 2020.

Charles A. Koppelman is the Managing Trustee of the Trust.

The Trust kept its principal office at 1105 North Market Street, Suite 1300, Wilmington, DE 19801. The administrative office of the Trust during 2020 was c/o CAK Entertainment, Attn: Charles A. Koppelman, 1330 Avenue of the Americas, Suite 1800, New York, NY 10019. Effective February 15, 2021, the administrative office of the Trust is Attn: Charles A. Koppelman, 55 Lumber Road, Suite 220, Roslyn, NY 11576.

In 2020, the Trust continued its retention of the following: Stutzman, Bromberg, Esserman & Plifka, A Professional Corporation (general counsel); CBIZ (accountants, claims forecasting, budget advisor and tax advisors); Verus Claims Services LLC ("Verus") (asbestos personal injury claims processing facility and claims administrator); Citi Private Bank and Bank of America Private Bank (financial consultants, money managers, custodian bank and other banking functions); BDO USA, LLP (independent auditor); AON Risk Services Central, Inc. (insurance broker), Ankura Consulting Group LLC (consulting and analytic services), and Morgan Stanley (asset manager and advisor). The Trust retained local counsel and other consultants, as needed.

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The TAC continued its retention of FrankGecker LLP as its counsel and Legal Analysis Systems as its claims forecasting advisor. The FCR continued his retention of Sher Tremonte LLP as his counsel and Nathan Associates as his claims forecasting advisor and consultant.

In 2020, the Trust: (i) invested and managed its assets; (ii) continued paying approved Qualified Asbestos PI Claims, if any, as set forth in more detail in Article II below; (iii) paid Asbestos PI Claims with the Trustees providing directions to the claims facility for the liquidation of the Asbestos PI Claims; (iv) monitored the methodology for liquidating Asbestos PI Claims under the Individual Review procedures of the TDP; (v) maintained the Trust's website, www.thanasbestostrust.com, and posted notices to the website as appropriate; (vi) reviewed issues relating to the processing of claims in the queue and the payment percentage; (vii) conducted audits of certain claims under the Trust's claims audit program; (viii) conducted due diligence reviews of operations regarding Trust business at Verus, Bank of America Private Bank and Citi Private Bank; (ix) reviewed the maximum annual payment under the TDP; (x) worked on and adopted the budget for 2021; (xi) monitored Reorganized THAN's financial health and performance and monitored the T H Agriculture & Nutrition, L.L.C. Parent Trust and the receipt of funds from that trust; (xii) purchased liability insurance policies from Ironshore Indemnity Inc., XL Specialty Insurance Company and Sompo International (Endurance American Insurance Company), and purchased cyber security insurance; (xiii) oversaw any litigation affecting the Trust; (xiv) performed all functions required for Trust governance, including maintaining the Trust's books and records and responding to subpoenas for information and other processes; (xv) addressed subpoenas and discovery requests to produce information as appropriate; and (xvi) adopted policies to assist claimants during the pandemic.

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The process for reviewing and liquidating Asbestos PI Claims is governed by the Trust Distribution Procedures ("TDP"), a Plan Document adopted pursuant to the Confirmation Order. *See* T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust Distribution Procedures, Docket No. 425. The TDP recognizes that estimates of liabilities and the value of assets fluctuate over time and, accordingly, applies a "Payment Percentage" to the liquidated value of allowed Asbestos PI Claims. *See* TDP, § 2.3. The TDP directs the Trustees to periodically "reconsider the then-applicable Payment Percentage to assure that it is based on accurate, current information," and to adjust the Payment Percentage upward or downward if necessary with the consent of the TAC and the FCR. *Id.* at § 4.2. In making this determination, the Trustees are directed to "base their determination of the Payment Percentage on current estimates of the number, types, and values of present and future Asbestos PI Claims, the value of the assets then available to the Asbestos PI Trust for their payment, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of full value to all present and future holders of Asbestos PI Claims." *Id.* The Trustees are further directed to "exercise common sense and flexibly evaluate all relevant factors." *Id.* The Trust, the TAC, and the FCR each retained their own experts to assist in the evaluation of the relevant factors relating to determination of the Payment Percentage, and each relied on their respective expert's analysis and advice. Effective with the April 2020 payment of claims in the FIFO Payment Queue, with the consent of the TAC and the FCR, the Trustees set the Payment Percentage downward at 15%.

The Trust designated its counsel, Stutzman, Bromberg, Esserman & Plifka, as the custodian of Trust records.

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II. Asbestos PI Claims

Pursuant to the Plan, the Trust is to pay Qualified Asbestos PI Claims, in the aggregate amount of $396,229,330 as soon as practicable. In prior years, the Trust paid $392,762,530 in Qualified Asbestos PI Claims. In 2020, pursuant to the Trust's review process for payment of remaining Qualified Asbestos PI Claims, the Trust paid no Qualified Asbestos PI Claims.

The Trust, through Verus, its claims processing facility, accepted unliquidated Asbestos PI Claims throughout 2020. Specifically, 277,567 Asbestos PI Claims have been submitted to the Trust to date, including 10,376 Asbestos PI Claims submitted in 2020, as follows:

Disease Level	Claims to date	Claims in 2020
Other Asbestos Disease (Level I)	9,928	147
Asbestosis/Pleural Disease (Level II)	115,305	3,006
Asbestosis/Pleural Disease (Level III)	63,654	2,714
Severe Asbestosis (Level IV)	5,154	173
Other Cancer (Level V)	9,664	436
Lung Cancer 2 (Level VI)	6,533	207
Lung Cancer 1 (Level VII)	35,738	1,715
Mesothelioma (Level VIII)	22,647	1,504
Unknown	8,944	474
Total:	**277,567**	**10,376**

Of the 10,376 Asbestos PI Claims submitted to the Trust in 2020, 496 have been withdrawn, 5,190 have been deferred, and 46 have been approved for payment, with the remainder in process with the Trust. In 2020, the Trust paid 1,574 Asbestos PI Claims, totaling $14,783,698 after application of the Payment Percentage. From inception through December 31, 2020, the Trust has paid a total of $392,762,530 on account of Qualified Asbestos PI Claims pursuant to section 5.2 of the TDP, and $358,178,408 on account of Asbestos PI Claims liquidated pursuant to section 5.3 of the TDP.

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Under Section 4.3 of the Trust Agreement, the Trust reports payments for Asbestos PI Trust Expenses. The Trust's operating expenses are listed in the Supplemental Information to the attached audited financial statements as addressed below.

III. Compensation and Expenses of Trustees, TAC, and FCR

Under Section 5.5(c) of the Trust Agreement, the Trust reports the amount of compensation and expenses paid to the Trustees. The Trustees have received, on an accrual basis, compensation and reimbursement for out-of-pocket costs and expenses from January 1, 2020, through the end of the fiscal year on December 31, 2020, as follows:

Trustees (2)	$725,672.28
Delaware Trustee	$3,000.00

Under Section 6.6 of the Trust Agreement, the Trust reports to the Bankruptcy Court the amount of compensation and expenses paid to the TAC. The TAC has received, on an accrual basis, compensation and reimbursement for fees and expenses, including counsel, during the fiscal year ending December 31, 2020, as follows:

TAC	$57,323.69

Under Section 7.6 of the Trust Agreement, the Trust reports to the Bankruptcy Court the amount of compensation and expenses paid to the FCR. The FCR has received, on an accrual basis, compensation and reimbursement for fees and expenses, including counsel, during the fiscal year ending December 31, 2020, as follows:

FCR	$72,382.13
FCR Counsel (Sher Tremonte LLP)	$23,105.07
FCR Consultants (Nathan Associates, Inc.)	$57, 832.50

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IV. Financial Statements

A copy of the Trust's audited financial statements for the year ending December 31, 2020, including a balance sheet as of December 31, 2020, and a statement of operations for 2020, is attached hereto as Exhibit A. Exhibit A also includes BDO USA, LLP's opinion 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 special purpose accounting methods.

The Asbestos Trust provided copies to the TAC and FCR on April 28, 2021.

V. Certification

The Trustees certify that they have performed pursuant to and in compliance with the Plan, the Trust Agreement, the Trust Distribution Procedures, the Confirmation Order, and such other Plan documents and Bankruptcy Court orders pertaining to the operation of the Trust during the fiscal year ended December 31, 2020.

TRUSTEES:

/s/ David F. Levi
DAVID F. LEVI

/s/ Charles A. Koppelman
CHARLES A. KOPPELMAN

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Respectfully submitted this 30th day of April 2021,

STUTZMAN, BROMBERG, ESSERMAN & PLIFKA,

A PROFESSIONAL CORPORATION

By: *Peter C. D'Apice*
Sander L. Esserman (Admitted *pro hac vice*)
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ATTORNEYS FOR THE T H AGRICULTURE & NUTRITION, L.L.C. ASBESTOS PERSONAL INJURY TRUST

CERTIFICATE OF SERVICE

The undersigned certifies that on this 30th day of April 2021, the foregoing ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE T H AGRICULTURE & NUTRITION, L.L.C. ASBESTOS PERSONAL INJURY TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2020, was served via ECF on all those parties receiving such notice through the Court's CM/ECF system.

/s/ Peter C. D'Apice
Peter C. D'Apice