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, 2024

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David F. Levi, as Trustee of the T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust (the "**Trust**"), respectfully files this Annual Report, Financial Statements and Results of Operations for Fiscal Year Ended December 31, 2024 (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 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, § 9.4(f). David F. Levi is now the sole Trustee of the Trust.

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, §§ 6.2 and 7.2. The TAC members in 2024 were Steven Kazan, Alan R. Brayton, Robert Cooney, Peter A. Kraus,

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

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Matthew Bergman, who during 2004 was replaced by Vanessa Firnhaber Oslund, 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 Trustee meet with the TAC and FCR no less often than quarterly. During 2024, the Trustee held quarterly meetings with the TAC and the FCR on February 27, 2024, May 21, 2024, September 17, 2024, and November 19, 2024.

The Trustee generally held weekly Trust meetings throughout 2022 by telephone, beginning on January 2, 2024.

The principal office of the Trust is 1100 N. Market Street, Wilmington, DE 19890. The administrative office of the Trust is: Attention David F. Levi, Trustee, c/o Stutzman, Bromberg, Esserman & Plifka, A Professional Corporation, 2323 Bryan Street, Suite 2200, Dallas, TX 75201.

In 2024, the Trust continued its retention of the following: Stutzman, Bromberg, Esserman & Plifka, A Professional Corporation (general counsel); CBIZ (accountants, 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), which in turn engages Blackrock for fixed income securities; AON Risk Services Central, Inc. (insurance broker); Ankura Consulting Group LLC (claims forecasting, consulting and analytic services); and Morgan Stanley (asset manager and advisor). In later 2024, the Trust retained CohnReznick LLP to replace BDO USA, LLP as independent auditor. 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 Gnarus Advisors LLC as his claims forecasting advisor and consultant.

In 2024, 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 Trustee 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 Trust Distribution Procedures ("**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 2025; (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 Assurance Corporation), and renewed 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 any subpoenas and discovery requests to

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produce information as appropriate; and (xvi) managed and oversaw any yearly audit conducted by AIG of certain Trust files.[2]

The process for reviewing and liquidating Asbestos PI Claims is governed by the 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 Trustee 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 Trustee is 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 Trustee is further directed to "exercise common sense and flexibly evaluate all relevant factors." *Id.* Under the TDP any of the TAC, the FCR, or the Trustee may request a Payment Percentage study if there is reason to believe that the Payment Percentage is either too high or too low. No Payment Percentage study was undertaken in 2024, and the Payment Percentage stayed at 15%. The Trustee, TAC, and FCR have agreed to begin a Payment Percentage study in the third quarter of 2025.

[2] AIG opted to not conduct an audit in 2024 but reserved its right to conduct audits in the future.

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

II. Asbestos PI Claims

Pursuant to the Plan, the Trust is to pay Qualified Asbestos PI Claims, in the aggregate amount of $395,239,530, as soon as practicable. In prior years, the Trust paid $392,804,730 in Qualified Asbestos PI Claims. In 2024, pursuant to the Trust's review process for payment of remaining Qualified Asbestos PI Claims, the Trust paid 7 Qualified Asbestos PI Claims totaling $470,600.

The Trust, through Verus, its claims processing facility, accepted unliquidated Asbestos PI Claims throughout 2024. Specifically, 307,097 Asbestos PI Claims have been submitted to the Trust to date, including 6,519 Asbestos PI Claims submitted in 2024, as follows:

Disease Level	Claims to date	Claims in 2024
Other Asbestos Disease (Level I)	10,629	39
Asbestosis/Pleural Disease (Level II)	121,195	1,289
Asbestosis/Pleural Disease (Level III)	69,672	1,026
Severe Asbestosis (Level IV)	5,809	108
Other Cancer (Level V)	10,863	200
Lung Cancer 2 (Level VI)	8,011	282
Lung Cancer 1 (Level VII)	43,533	2,284
Mesothelioma (Level VIII)	27,752	1,118
Unknown	9,633	173
Total:	**307,097**	**6,519**

Of the 6,519 Asbestos PI Claims submitted to the Trust in 2024, 625 have been withdrawn, 3,900 have been deferred, and 182 have been approved for payment, with the remainder in process with the Trust. In 2024, the Trust paid 873 Asbestos PI Claims, totaling

$12,634,658.10 after application of the Payment Percentage.[3] From inception through December 31, 2024, the Trust has paid a total of $393,275,330 on account of Qualified Asbestos PI Claims pursuant to section 5.2 of the TDP, and $432,421,924 on account of Asbestos PI Claims liquidated pursuant to section 5.3 of the TDP.

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 Trustee, TAC, and FCR

Under section 5.5(c) of the Trust Agreement, the Trust reports the amount of compensation and expenses paid to the Trustee. The Trustee has received, on an accrual basis, compensation and reimbursement for out-of-pocket costs and expenses from January 1, 2024, through the end of the fiscal year on December 31, 2024, as follows:

Trustee	$353,547.95
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, 2024, as follows:

TAC	$34,362.60

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

[3] $12,634,658.10 plus the $470,600.00 in Qualified Asbestos PI Claims reported above equals $13,105,258.10.

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basis, compensation and reimbursement for fees and expenses, including counsel and consultants, during the fiscal year ending December 31, 2024, as follows:

FCR	$11,685.00

IV. Financial Statements

A copy of the Trust's audited financial statements for the year ending December 31, 2024, including a balance sheet as of December 31, 2024, and a statement of operations for 2024, is attached hereto as Exhibit A. Exhibit A also includes CohnReznick 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 of this Report to the TAC and FCR on April 23, 2024.

V. Certification

The Trustee certifies that he has 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, 2024.

TRUSTEE:

/s/ David F. Levi
DAVID F. LEVI

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Respectfully submitted this 29th day of April 2025,

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 29th day of April 2025, 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, 2024, 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

T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Special-Purpose Financial Statements and Independent Auditor's Report

December 31, 2024 and 2023

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Independent Auditor's Report

To the Trustee
T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Opinion

We have audited the special-purpose financial statements of T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust (the "Trust"), which comprise the special-purpose statement of assets, liabilities, and net claimants' equity as of December 31, 2024, and the related special-purpose statements of changes in net claimants' equity and cash flows for the year then ended, and the related notes to the special-purpose financial statements (collectively, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the assets, liabilities and net claimants' equity of the Trust as of December 31, 2024, and the changes in net claimants' equity and its cash flows for the year then ended, in accordance with the basis of accounting described in Note 2 to the Financial Statements.

Basis for Opinion

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

Basis of Accounting

We draw attention to Note 2 of the Financial Statements which describes the basis of accounting. The Financial Statements are 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. The special-purpose basis of accounting has been adopted by the Trustee to communicate the amount of net claimant's equity presently available to fund current and future claims. As a result, the Financial Statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Other Matter - Prior Year Financial Statements

The Financial Statements of the Trust for the year ended December 31, 2023, were audited by another auditor whose report dated April 22, 2024, included an emphasis of matter paragraph indicating that the Trust's Financial Statements were prepared on the special-purpose basis of accounting, which is a basis of accounting used to communicate the amount of net claimants' equity presently available to fund current and future claims, and expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the special-purpose basis of accounting; this includes determining that the special-purpose basis of accounting is an acceptable basis for the preparation of the Financial Statements in these circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction of Use

This report is intended solely for the information and use of the management of the Trust, the Trustee, the beneficiaries of the Trust and the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court") and is not intended to be and should not be used by anyone other than these specified parties. Upon filing with the Bankruptcy Court, the report is a matter of public record, which public filing does not expand the list of specified users.

CohnReznick LLP

Dallas, Texas
April 22, 2025

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T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Special-Purpose Statements of Assets, Liabilities and Net Claimants' Equity
December 31, 2024 and 2023

Assets

	2024	2023
Cash and cash equivalents	$ 7,018,653	$ 3,847,276
Investments, at fair value	220,678,038	222,728,929
Alternative investments, at fair value	5,036,649	9,814,846
Investment income receivable	1,931,521	2,003,624
Prepaid expenses	99,742	206,486
Prepaid federal income taxes	-	1,522,000
Total assets	$ 234,764,603	$ 240,123,161

Liabilities and Net Claimants' Equity

Settled claims payable	$ 1,013,707	$ 766,193
Accounts payable	115,455	123,736
Total liabilities	1,129,162	889,929
Net claimants' equity	$ 233,635,441	$ 239,233,232

See Notes to Special-Purpose Financial Statements.

T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Special-Purpose Statements of Changes in Net Claimants' Equity
Years Ended December 31, 2024 and 2023

	2024	2023
Additions		
Interest and dividend income, net	$ 7,264,435	$ 6,743,118
Realized gain on sale of investments, net	5,126,316	1,745,936
Net change in fair value of alternative investments	449,920	1,055,438
Cost adjustments on investments	1,220	9,470
Unrealized gain on investments, net	-	10,443,499
Other income	-	11,269
Total additions	12,841,891	20,008,730
Deductions		
Unrealized loss on investments, net	592,330	-
Claims settled	13,352,772	16,642,812
Investment advisory fees	729,436	725,410
General and administrative expenses		
Trustee	354,591	372,529
Claims processing fees	522,548	553,904
Claims consulting and forecasting fees	13,389	78,450
Future claims representative fees and expenses	11,685	10,180
Insurance	129,811	121,074
Accounting	277,377	241,162
Others	3,000	3,000
Professional services		
Trust legal fees	263	4,404
Trust general counsel	365,287	396,209
TAC attorney fees and expenses	34,363	47,065
Trust litigation counsel fees and expenses	830	40,298
Trust special counsel fees and expenses	-	4,704
Federal income tax	2,052,000	494,000
Total deductions	18,439,682	19,735,201
Net (decrease) increase in net claimants' equity	(5,597,791)	273,529
Net claimants' equity, beginning of year	239,233,232	238,959,703
Net claimants' equity, end of year	$ 233,635,441	$ 239,233,232

See Notes to Special-Purpose Financial Statements.

T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Special-Purpose Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Net (decrease) increase in net claimants' equity	$ (5,597,791)	$ 273,529
Adjustments to reconcile net (decrease) increase in net claimants' equity to net cash used in operating activities		
Realized gain on sale of investments, net	(5,126,398)	(1,745,936)
Net change in fair value of alternative investments	(449,920)	(1,055,438)
Unrealized (gain) loss on investments, net	592,412	(10,443,499)
Cost adjustments on investments	(1,220)	(9,470)
Amortization of bond premium	1,829,572	2,321,087
Changes in operating assets and liabilities		
Investment income receivable	72,103	130,526
Prepaid expenses	106,744	(4,427)
Prepaid federal income taxes	1,522,000	494,000
Settled claims payable	247,514	594,194
Accounts payable	(8,281)	(65,659)
Net cash used in operating activities	(6,813,265)	(9,511,093)
Cash flows from investing activities		
Proceeds from sales of investments	73,366,447	77,214,371
Proceeds from sales of alternative investments	5,698,531	6,041,500
Purchases of investments	(68,780,336)	(70,798,677)
Purchases of alternative investments	(300,000)	(3,209,067)
Net cash provided by investing activities	9,984,642	9,248,127
Net increase (decrease) in cash and cash equivalents	3,171,377	(262,966)
Cash and cash equivalents, beginning of year	3,847,276	4,110,242
Cash and cash equivalents, end of year	$ 7,018,653	$ 3,847,276

See Notes to Special-Purpose Financial Statements.

T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Notes to Special-Purpose Financial Statements
December 31, 2024 and 2023

Note 1 - Description of the Trust

The T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust (the “Trust”), organized pursuant to the laws of the State of Delaware, was established on November 30, 2009 and is a Qualified Settlement Fund (“QSF”) pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code (“Code”). The Trust was formed to assume all Asbestos PI Trust Claims (whether now existing or arising at any time hereafter). The Trust’s funding is dedicated solely to the settlement of Asbestos Personal Injury Trust Claims and the related costs thereto, as defined in the T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust Agreement (“Trust Agreement”). Defined terms have the meaning that is defined in the Trust Agreement.

The Trustee is responsible for supervising and administering the Trust. The Trustee will use the Trust's assets and income to pay the holders of all Asbestos PI Trust Claims in accordance with the Trust Agreement and the T H Agriculture & Nutrition, L.L.C. Asbestos PI Settlement Trust Distribution Procedures (“TDP”) in such a way that holders of Asbestos PI Trust 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 United States Bankruptcy Code.

Note 2 - Summary of significant accounting policies

Basis of presentation

The Trust's special-purpose financial statements (“Financial Statements”) are prepared using special-purpose accounting methods adopted by the Trust and the Trustee, which differ from accounting principles generally accepted in the United States of America ("GAAP"). The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the net claimants' equity available for the payment of claims and the related operating expenses of the Trust. Since the 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:

- Investments are recorded at fair value. All interest and dividend income, net of investment expenses, are included in the accompanying special-purpose statements of changes in net claimants’ equity. Net realized and unrealized gains and (losses) on investments are recorded as a net addition or (deduction) in the special-purpose statements of changes in net claimants’ equity. Cost of alternative investments is calculated on a tax basis. Under GAAP, cost of alternative investments is typically determined using a specific identification or average cost basis. In addition, under GAAP, the Financial Statements would require additional disclosures related to fair value.

- Amortization and accretion of bond premiums or discounts are included in interest and dividend income, net. Under GAAP, it would be shown gross as a component of interest expense or interest income.

- 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 entities which assigned the rights to such policies to the Trust or were negotiated by the Trust. Under GAAP, insurance recoveries are recorded upon settlement and assurance of collectability.

- Future fixed liabilities under contractual obligations and other agreements entered into by the Trust are recorded as deductions 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 are generally treated as deductions from net claimants' equity in the period in which the settled claims are approved for payment. A settled claim is a claim that has been accepted by the claimant, with an executed release submitted to the Trust, and approved by the Trustee. 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.

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

Use of estimates
The preparation of Financial Statements requires the management of the Trust to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Financial Statements, as well as the reported amounts of additions and deductions to net claimants' equity during the reporting periods. Actual results could differ from those estimates and such differences could have a material effect on net claimants' equity.

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

Investments
Investments are stated at fair value. See Note 4. Changes in unrealized gains and losses are recorded as increases and decreases to net claimants' equity. Realized gains and losses on sales of investments other than alternative investments are determined using the specific identification method. The Trust records transactions on a trade-date basis. Dividend income is recorded on the ex-dividend date. Investment income is recognized when earned. Any unearned interest and dividend income are recorded as investment income receivable.

Settled claims payable
Settled claims payable consist of certain claims that are settled but unpaid at year end. A settled claim is a claim that has been accepted by the claimant, with an executed release submitted to the Trust, and approved by the Trustee. An unpaid claim is a claim that has been approved for payment by the Trustee but cannot be paid due to annual cap limitations or has been authorized by the Trustee and not paid. Unpaid claims that are a result of annual cap limitations are recorded when settled.

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The ultimate number of Asbestos PI Trust Claims to be filed and the liability for all such claims are not determinable at this time. The net claimants' equity at December 31, 2024 and 2023 represents funding available for all Asbestos PI Trust Claims for which no fixed liability has yet been established.

Accounts payable
Accounts payable consist of outstanding invoices associated with managing the Trust.

Income taxes
The Trust is classified as a QSF pursuant to the Code in the United States of America federal jurisdiction, which is taxed at the highest rate applicable to trusts under Section I(e) of the Code, which was 37%. 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 management, the Trust is not subject to state income taxes and, therefore, the Financial Statements do not include any provision or liability for state income taxes. The funding received at the inception of the Trust as well as any subsequent funding received from insurers does not represent taxable income to the Trust. In addition, payments to claimants do not represent tax deductions of the Trust. The Trust reports tax-related interest and penalties as a component of income tax expense and general and administrative expenses, respectively.

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. The income taxes associated with gains on investments will be recorded in the Trust's Financial Statements when the net gains are realized (i.e., the securities are sold) and the income taxes become currently payable. In addition, there is no provision for deferred taxes associated with any future benefit from the potential use of net operating loss or capital loss carryforwards to reduce taxable income in future years.

The Trust's federal income tax returns are generally subject to income tax examination by the Internal Revenue Service (“IRS”) for a period of three years from the date the tax returns are filed. The Trust is generally no longer subject to income tax examinations by the IRS for the years ended December 31, 2020 and prior.

Risk and uncertainties
Certain of the Trust's assets are exposed to credit risk. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Trust has not experienced any losses in such accounts, and it does not believe it is exposed to any significant credit risk.

The Trust invests in a professionally managed investment portfolio that contains common shares of publicly traded companies, corporate and government obligations, 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, it is at least reasonably possible that changes in the values of investments will occur in the near term and such changes could materially affect the Trust's account balances and the amounts reported in the Financial Statements.

Reclassifications
Certain prior year amounts have been reclassified for consistency with current year presentation. These reclassifications had no effect on the prior year reported net increase in net claimants’ equity.

Subsequent events
The Trust has evaluated events and transactions subsequent to the date of the Financial Statements for matters requiring recognition or disclosure in the Financial Statements. The accompanying Financial Statements consider events through April 22, 2025, the date which the Financial Statements were available to be issued.

Note 3 - Investments, at fair value

Investments, at fair value, consist of the following at December 31:

	2024		
	Cost	Fair value	Unrealized gains
Equities	$ 23,564,298	$ 46,140,012	$ 22,575,714
Bonds	174,222,022	174,538,026	316,004
Total	$ 197,786,320	$ 220,678,038	$ 22,891,718

	2023		
	Cost	Fair value	Unrealized gains
Equities	$ 26,146,243	$ 47,404,155	$ 21,257,912
Bonds	173,098,638	175,324,774	2,226,136
Total	$ 199,244,881	$ 222,728,929	$ 23,484,048

The maturities of the Trust's investment in bonds are as follows as of December 31:

	2024				
	Less than 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years	Total
Bonds	$ 7,553,675	$ 46,130,203	$ 45,552,717	$ 75,301,431	$ 174,538,026

	2023				
	Less than 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years	Total
Bonds	$ 10,387,071	$ 51,393,072	$ 41,075,875	$ 72,468,756	$ 175,324,774

Note 4 - Fair value measurements

The Trust's investments are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the Trust would use valuation models.

The Trust's assets recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- Level 1: Inputs that are based upon quoted prices for identical instruments traded in active markets.
- Level 2: 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 investment.
- Level 3: 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 determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Alternative investments measured using net asset value (“NAV”) as a practical expedient are not categorized within the fair value hierarchy.

The following section describes the valuation methodologies the Trust uses to measure its financial assets at fair value.

Equities: Valued at the closing price reported in the active market on which the individual securities are traded.

Bonds: Valued using the documented trade price if trading in an active market. Otherwise, valued using a metrics system provided by the pricing vendors.

Alternative investments: Valued based on the NAV provided using the Trust's proportionate share of each fund's net assets. The NAV is used as a practical expedient to estimate fair value.

T H Agriculture & Nutrition, L.L.C. Asbestos Personal Injury Trust

Notes to Special-Purpose Financial Statements
December 31, 2024 and 2023

Total assets measured at fair value on a recurring basis are summarized below:

	As of December 31, 2024			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 7,018,653	$ 7,018,653	$ -	$ -
Equities	46,140,012	46,140,012	-	-
Bonds				
Government	10,872,893	10,872,893	-	
Corporate	7,349,821	-	7,349,821	-
International	462,764	-	462,764	-
Municipal	155,852,548	-	155,852,548	-
Total bonds	174,538,026	10,872,893	163,665,133	-
Alternative investments at NAV	5,036,649			
Total assets at fair value	$ 232,733,340	$ 64,031,558	$ 163,665,133	$ -

	As of December 31, 2023			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 3,847,276	$ 3,847,276	$ -	$ -
Equities	47,404,155	47,404,155	-	-
Bonds				
Government	8,826,493	8,826,493	-	-
Corporate	7,063,337	-	7,063,337	-
International	523,571	-	523,571	-
Municipal	158,911,373	-	158,911,373	-
Total bonds	175,324,774	8,826,493	166,498,281	-
Alternative investments at NAV	9,814,846			
Total assets at fair value	$ 236,391,051	$ 60,077,924	$ 166,498,281	$ -

Alternative investments generally employ long, short and multi-trading strategies in various markets. These funds have semi-annual and quarterly redemption periods with notice periods of between 30 to 95 days.

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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:

	2024	2023
Balance, beginning of year	$ 9,814,846	$ 11,591,841
Purchases	300,000	3,209,067
Liquidations / distributions	(5,698,531)	(5,678,728)
Realized gains (losses)	170,414	(362,772)
Net change in fair value	449,920	1,055,438
Balance, end of the year	$ 5,036,649	$ 9,814,846

Note 5 - Income taxes

For the years ended December 31, 2024 and 2023, the Trust's provision for federal income taxes is $2,052,000 and $494,000, respectively. During the year ended December 31, 2024, the Trust made estimated income tax payments totaling $530,000. During the year ended December 31, 2023, the Trust made no estimated income tax payments.

As disclosed in Note 2 to the 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.

Note 6 - Claims settled

For the year ended December 31, 2024, the Trust settled 892 claims totaling $13,352,772, including 69 claims totaling $1,013,707 that were settled but not paid as of December 31, 2024. The Trust paid 880 claims totaling $13,105,258 during the year ended December 31, 2024.

For the year ended December 31, 2023, the Trust settled 1,289 claims totaling $16,642,812, including 57 claims totaling $766,193 that were settled but not paid as of December 31, 2023. The Trust paid 1,248 claims totaling $16,048,618 during the year ended December 31, 2023.

Note 7 - Contingent liabilities

The First Amended Prepackaged Plan of Reorganization of T H Agriculture & Nutrition, L.L.C., Under Chapter 11 of the Bankruptcy Code subjects 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 Financial Statements. Such claims, if any, are not expected to be material.

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