EXHIBIT "B"

Western Asbestos Settlement Trust
Claim Report
As of December 31, 2005

This report is submitted pursuant to Section 2.2 (c) (ii) of the Western Asbestos Settlement Trust Agreement which requires the Trust to file with the Bankruptcy Court a summary regarding the number and type of claims disposed of during the period covered by the financial statements. This report summarizes the Trust's processing of the "Pre-Petition Liquidated Claims" (claims liquidated by default, settlement agreement, or the settlement Matrix prior to filing of the bankruptcy petition) and the "Trust Claims" (new unliquidated claims received since April 22, 2004, the Effective Date of the Trust).

Pre-Petition Liquidated Claims

In 2004, the Trust implemented a procedure to pay the Pre-Petition Liquidated Claims in accordance with the Plan, the Trust Distribution Procedures (TDP) and the Confirmation Order. The Confirmation Order, as amended on April 14, 2004, provided that the initial payment to Pre-Petition Liquidated claimants was to be 31.5% of the total value of each claim. The liquidated value of California default claims included statutory interest. The vast majority of Pre-Petition Liquidated Claims were paid between April 22, 2004 and December 31, 2004 (See Exhibit B, Western Asbestos Settlement Trust Claim Report, attached to the 2004 Annual Report of the Trust). Twenty-four Pre-Petition Claims were paid in 2005. The actual payments made in 2005 for these 24 claims totaled $419,190.83 or 31.5% of the total liquidated value. By December 31, 2005, the Trust had paid 99.9% of all Pre-Petition Liquidated Claims. The Trust awaits the proper release documents for the remaining thirty-nine unpaid Pre-Petition Liquidated Claims.

Trust Claims:

This claim report includes claims received and disposed of from January 1, 2005 through December 31, 2005 in accordance with the Case Valuation Matrix (Matrix) and the TDP.

The value of each compensable disease is determined by the Matrix and TDP. Claim compensation is adjusted for individual claimants based upon jurisdiction and tort related individual characteristics including but not limited to: age, martial status, dependents, medical special, economic loss, and whether living at the time of commencement of litigation or filing of a claim with the Trust. Each valid claim is awarded a total liquidated value. As of the end of December 31, 2005, the Trust was paying the claimant at an approved Payment Percentage of 31.5% of the total liquidated value. [1]

1 The TDP (page 16, Section 4.2) requires that the Trustees shall consider the applicable Payment Percentage to assure it is based on accurate information on the first day of January after the Plan is confirmed and no less than every 3 years.

Published by AsbestosClaims.Law
asbestosclaims.law/library/14551/1

From January 1, 2005 through December 31, 2005, 1,269 claims had been determined to be valid and properly submitted under the Trust claim requirements. Of those claims, 1,108 claims were paid by the Trust, and 161 claims received a Release Authorization request letter, which included the appropriate calculated settlement offer under the Matrix. The below chart reflects the total liquidated value and the payment value (31.5% of the liquidated value) for these 1,269 claims.

Trust Claims (Settled or Settlement Offer Made)

Count	1269
Liquidated Value	$169,472,125.85
Payment Percentage @ 31.5%	$53,383,719.66
Average Liquidated Value (per claim)	$133,547.77
Average Payout @ 31.5% (per claim)	$42,067.55

The below chart presents the total liquidated value averages, based upon the 1,269 claims, for each compensable disease under the Matrix.

Malignant vs. Non-Malignant by Highest Alleged Disease (before Payment %)

(Includes statuses of Release, Release Approved, Release Deficient and Paid)

Diagnosis	Average 12/31/2005
Grade II Non-Malignant	22,630
Grade I Non-Malignant	33,793
Grade I Non-Malignant Enhanced	53,842
Chronic Lymphocytic Leukemia	37,371
Colo-Rectal	81,402
Esophageal	73,798
Kidney	67,834
Laryngeal	34,601
Non-Hodgkin's Lyphoma	0
Other	55,336
Grade I Non-Malignant Serious Asbestosis	160,053
Lung Cancer	168,067
Mesothelioma	408,465
(blank)	0
Grand Total	**146,094**

As of December 31, 2005, 791 claims had been withdrawn and 928 claims were in process. The total number of claims submitted to the Trust from inception through December 31, 2005 was 3,179 and total number of Trust claims paid during that time period was 1,180.