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IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
YARWAY CORPORATION,	)	Case No. 13-11025 (BLS)
	)	
Reorganized Debtor.	)	

NOTICE OF FILING ANNUAL REPORT AND CLAIMS SUMMARY

The Yarway Asbestos Personal Injury Trust (the "Trust") hereby files its Audited Financial Statements for the fiscal year ending December 31, 2015 and an Annual Report for the period covered by the Audited Financial Statements. The Annual Report and Financial Statements are attached hereto as Exhibit 1.

Pursuant to the provisions of the Yarway Asbestos Personal Injury Trust Agreement, the Trust is providing copies of the Annual Report and the Financial Statements to the Trust Advisory Committee and the Future Claimant Representative Committee.

Date: April 26, 2016

CAMPBELL & LEVINE, LLC

/s/ Marla Rosoff Eskin
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EXHIBIT 1

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
YARWAY CORPORATION,	)	Case No. 13-11025 (BLS)
	)	
Reorganized Debtor.	)	

ANNUAL REPORT AND ACCOUNT OF THE YARWAY ASBESTOS PERSONAL INJURY TRUST FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

The Hon. Helen E. Freedman (Ret.), Trustee of the Yarway Asbestos Personal Injury Trust (the "Trust"), created pursuant to the Plan of Reorganization for Yarway Corporation Under Chapter 11 of the Bankruptcy Code Proposed by Yarway Corporation and Tyco International PLC, as modified (the "Plan"), submits this Annual Report, Financial Statements, and Claims Summary for the fiscal year ending December 31, 2015.

I. INTRODUCTION

The purpose of this Annual Report is to fulfill the reporting requirements of the Yarway Asbestos Personal Injury Trust Agreement (the "Trust Agreement") and to report to the Court on the actions taken by the Trustee on behalf of the Trust during the period August 19, 2015 to December 31, 2015 (the "Reporting Period").

Section 2.2(c) of the Trust Agreement provides:

The Trustee shall timely account to the Bankruptcy Court as follows:

> (i) For the fiscal year 2015 and for each successive fiscal year thereafter until the Asbestos PI Trust is terminated pursuant to Section 7.2 below, the Trustee shall cause to be prepared and filed with the Bankruptcy Court, as soon as available, and in any event within one hundred and twenty (120) days following the end of each fiscal year, an annual report (the "**Annual Report**") containing financial statements of the Asbestos PI Trust (including, without limitation, a balance sheet of the Asbestos PI Trust as of the end of such fiscal

year and a statement of operations for such fiscal year) audited by a firm of independent certified public accountants selected by the Trustee and accompanied by an opinion of such firm as to the fairness of the financial statements' presentation of the cash and investments available for the payment of claims and as to the conformity of the financial statements with generally accepted accounting principles. The Trustee shall provide a copy of such Annual Report to the TAC and the FCR when such reports are filed with the Bankruptcy Court.

(ii) In connection with the filing of the Annual Report, the Trustee shall cause to be prepared and filed with the Bankruptcy Court a report containing a summary regarding the number and type of claims disposed of during the period covered by the financial statements. The Trustee shall provide a copy of such report to the TAC and the FCR when such report is filed.

(iii) All materials required to be filed with the Bankruptcy Court by this Section 2.2(c) shall be available for inspection by the public in accordance with procedures established by the Bankruptcy Court.

The Trust Agreement further provides for the inclusion of a description of the amounts paid to the Trustee, Delaware Trustee, Trust Advisory Committee ("TAC"), and Future Claimants' Representative ("FCR") in the accounts filed with the Bankruptcy Court. See Sections 4.5(c), 5.6 and 6.5.

II. BACKGROUND

On April 22, 2013, Yarway Corporation (the "Debtor"), filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code. On April 8, 2015, the Bankruptcy Court entered an order confirming the Plan. On July 14, 2015, the United States District Court for the District of Delaware affirmed the Bankruptcy Court's confirmation order. On August 19, 2015 (the "Effective Date"), the Plan became effective and the Trustee began to manage the affairs of the Trust.

On or after the Effective Date, the Trust was funded as provided for in Section 8.3 of the Plan. The purpose of the Trust is to assume all liabilities and responsibility for all Asbestos Personal Injury Claims, as defined in the Plan, and, among other things, to use the assets and income of the Trust to pay both present and future asbestos claimants in accordance with the Trust Agreement and the Trust Distribution Procedures (the "TDP") in such a way that holders of Asbestos Personal Injury Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims. See Trust Agreement, Section 1.2.

III. TRUST ADMINISTRATION

A. Trustee

The Hon. Helen E. Freedman (Ret.) served as the Trustee of the Trust during the Reporting Period.

During the Reporting Period, the Trustee held a formal meeting in accordance with the requirements of the Trust Agreement. The meeting was in person and was attended by representatives of the TAC and the FCR. In addition to this formal meeting, the Trustee held regularly scheduled teleconferences, met individually with Trust advisors, held executive session and special purpose meetings, and devoted considerable time to Trust matters outside of scheduled meetings. Activities included monitoring and exercising oversight over the investment of Trust assets and the actions necessary for the Trust to begin to receive, process, and pay claims pursuant to the Trust Distribution Procedures. As of December 21, 2015, the Trust began accepting the filing of claims. The Trust continues to communicate with claimants regarding operations of the Trust and the processing of claims.

B. Delaware Trustee

Wilmington Trust served as the Delaware Trustee during the Reporting Period.

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C. Consultant to the Trust

Charles A. Koppelman served as a consultant to the Trust during the Reporting Period.

D. Trust Advisory Committee

John H. Baden, IV, Joseph W. Belluck, Lisa N. Busch, John D. Cooney, and Barry Julian served as members of the TAC during the Reporting Period.

E. Futures Representative

James L. Patton, Jr. served as the FCR during the Reporting Period.

F. Compensation

The compensation and expenses paid to the Trustee, the members of the TAC and the FCR during the Reporting Period are set forth in the Trust's financial statements attached hereto as Exhibit "A." The inclusion of this information in the Trust's financial statements satisfies the requirements of Sections 4.5(c), 5.6 and 6.5 of the Trust Agreement.

F. Claims Processing

During the Reporting Period, Verus Claims Services, LLC began to process the Trust's claims.

G. Investment Management

During the Reporting Period, the Trust engaged The Concord Advisory Group, Ltd. of Princeton, N.J. ("Concord") to advise the Trustee on matters concerning the investment of the Trust's assets. Concord has extensive experience in advising similar Trust's and organizations on matters relating to investment operations. Concord assists the Trustee in developing prudent policies by which to govern, administer and monitor the investments. Such policies are intended to facilitate achieving the Trust's investment goals of maintaining sufficient liquidity to meet the Trust's current claims and generating sufficient returns to meet future Trust claims. Concord

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also assists the Trustee in hiring, retaining, and terminating investment managers and custodians (service providers) to implement the Trust's investment strategy.

The Trust's investments were initiated in September of 2015. Assets were allocated 80% to fixed income with a blend of cash, short term bonds and intermediate/long term bonds, and 20% to diversified equity strategies. Citigroup, Goldman Sachs, and U.S. Trust were retained as advisors to manage the assets among proprietary and non-proprietary strategies. The service providers are monitored on an ongoing basis to ensure they meet policy risk and liquidity guidelines while achieving the Trust's performance and operational objectives. Concord provides monthly and quarterly reports to the Trustee summarizing investment results, compliance with investment policy guidelines, and investment fees. Additionally, the Trustee meets with the service providers periodically for further review.

H. General Counsel

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

IV. ANNUAL REPORT AND ACCOUNTING

The Trust began accepting and processing unliquidated claims on December 21, 2015. As of December 31, 2015, the Trust had received 12,238 Unliquidated Asbestos Personal Injury Claims. None of those claims were paid by the end of the Reporting Period.

As of December 31, 2015, 865 Pre-Petition Liquidated Claims were pending against the Trust. None of those claims were paid as of the end of the Reporting period.

The Trust Distribution Procedures and additional claims processing information may be found at the Trust's website: www.yarwaytrust.com.

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

Date: April 26, 2016

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EXHIBIT A

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Yarway Asbestos Personal Injury Trust

Audited Special-Purpose Financial Statements

For the Period from August 19, 2015 (Inception) through December 31, 2015

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

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Yarway Asbestos Personal Injury Trust

Audited Special-Purpose Financial Statements

For Period from August 19, 2015 (Inception) through December 31, 2015

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Yarway Asbestos Personal Injury Trust

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Independent Auditor's Report

Trustee
Yarway Asbestos Personal Injury Trust
New York, New York

We have audited the accompanying special-purpose financial statements of Yarway Asbestos Personal Injury Trust (the Trust), which comprise the special-purpose statement of assets, liabilities and net claimants' equity as of December 31, 2015, and the related special-purpose statements of changes in net claimants' equity and cash flows for the period from August 19, 2015 (inception) through December 31, 2015, and the related notes to the special-purpose financial statements.

Management's Responsibility for the Special-Purpose Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our 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 special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the special-purpose financial statements.

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

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the net claimants' equity of Yarway Asbestos Personal Injury Trust as of December 31, 2015, and the changes in net claimants' equity and cash flows for the period from August 19, 2015 (inception) through December 31, 2015 in accordance with the special-purpose basis of accounting described in Note 2 to the special-purpose financial statements.

Basis of Accounting

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

Restriction of Use

Our report is intended solely for the information and use of the Trust, the Trustee, the beneficiaries of the Trust, and the United States Bankruptcy Court for the District of Delaware, and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this report which, upon filing with the United States Bankruptcy Court for the District of Delaware, is a matter of public record.

BDO USA, LLP

McLean, Virginia
April 22, 2016

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Audited Special-Purpose Financial Statements

Yarway Asbestos Personal Injury Trust

Special-Purpose Statement of Assets, Liabilities, and Net Claimants' Equity

December 31, 2015

Assets		
Cash and cash equivalents		
Bank of America	$	3,411,099
Citibank		7,982,355
U.S. Trust		6,150,771
Goldman Sachs		7,882,266
Total cash and cash equivalents		25,426,491
Investments		
Citibank		
Investments		100,545,356
Income receivable		795,309
U.S. Trust		
Investments		100,927,582
Income receivable		794,681
Goldman Sachs		
Investments		97,885,509
Income receivable		854,727
Total investments		301,803,164
Other assets		29,978
Total assets		327,259,633
Liabilities		
Accounts payable and accrued expenses		338,475
Total liabilities		338,475
Net claimants' equity	$	326,921,158

See accompanying notes to the special-purpose financial statements.

Yarway Asbestos Personal Injury Trust

Special-Purpose Statement of Changes in Net Claimants' Equity

For the Period from August 19, 2015 (Inception) through December 31, 2015

Additions		
Initial funding	$	324,964,200
Investment income		
Interest and dividend income, net		1,518,258
Investment advisory fees		(214,091)
Realized loss on sale of investments		(472,415)
Capital gain distributions		25,333
Unrealized gain on investments		1,888,920
Total investment income		2,746,005
Total additions		327,710,205
Deductions		
General and administrative expenses		
Trustee		69,899
Management consulting fees		130,344
Claims processing fees		103,480
Claims consulting and forecasting fees		63,687
Insurance		31,414
Accounting		35,840
Others		6,030
Professional services		
Trust legal fees		65,641
Trust general counsel		219,520
TAC attorney fees and expenses		25,889
Future claims representative fees and expenses		37,303
Total deductions		789,047
Increase in net claimants' equity		326,921,158
Net claimants' equity at the beginning of the period		-
Net claimants' equity at the end of the period	$	326,921,158

See accompanying notes to the special-purpose financial statements.

Yarway Asbestos Personal Injury Trust

Special-Purpose Statement of Cash Flows

For the Period from August 19, 2015 (Inception) through December 31, 2015

Cash flows from operating activities:	
Increase in net claimants' equity	$ 326,921,158
Adjustments to reconcile the increase in net claimants' equity to net cash provided by operating activities:	
Realized loss on sales of securities	472,415
Unrealized gain on investments, net	(1,888,920)
Amortization of bond premiums	561,501
Changes in operating assets and liabilities	
Other assets	(29,978)
Accounts payable and accrued expenses	338,475
Total adjustments	(546,507)
Net cash provided by operating activities	326,374,651
Cash flows from investing activities:	
Change in income receivable	(2,444,718)
Proceeds from sale of investments	19,896,399
Purchases of investments	(318,399,841)
Net cash used in investing activities	(300,948,160)
Net increase in cash and cash equivalents	25,426,491
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	$ 25,426,491

See accompanying notes to the special-purpose financial statements.

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Yarway Asbestos Personal Injury Trust

Notes to the Special-Purpose Financial Statements

1. Description of the Trust

The Yarway Asbestos Personal Injury Trust (the Trust), organized pursuant to the laws of the State of Delaware, was established on August 19, 2015 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 was formed to assume all Asbestos Personal Injury Claims and to use the Trust's assets to pay holders of claims in accordance with the Yarway Asbestos Personal Injury Trust Agreement. The Trust's funding is dedicated solely to the settlement of Asbestos Personal Injury Claims and the related costs thereto, as defined in the Yarway Asbestos Personal Injury Trust Agreement (Trust Agreement). The Trust's administrative office is located in New York, New York. Defined terms have the meaning that is defined in the Trust Agreement.

When formed, the Yarway Asbestos Personal Injury Trust was funded with approximately $325 million in cash received from Tyco International PLC, and 100% of the Reorgzanized Yarway Corporation (Yarway) Stock. The cash from Tyco International PLC was transferred to the Trust during the period from August 19, 2015 (inception) through December 31, 2015 and was recorded as initial funding in the accompanying special-purpose statement of changes in net claimants' equity.

Yarway owns a 49% ownership interest in STI Properties, Ltd. (STI Properties), which itself is a 50% member of a joint venture which owns and operates a largely-occupied commercial office building. The joint venture has historically been profitable. Yarway Corporation is not actively operating any other businesses. Accordingly, any value associated with the Trust's ownership of Yarway Corporation is derived from its indirect interest in the property owned by the joint venture.

The Trust has determined that its interest in Yarway Corporation is not a material asset to the Trust. Additionally, this is not a liquid asset that is available for the payment of claims until the asset may be converted into cash proceeds. Accordingly, the Trust has not reported its interest in Yarway Corporation in the accompanying special-purpose financial statements. Any value associated with the Trust's ownership of Yarway Corporation will be reported when such interest generates cash proceeds that are transferred to the Trust.

The Trustee is responsible for supervising and administering the Yarway Asbestos Personal Injury Trust. The Trustee will use the Trust's assets and income to pay the holders of all Asbestos Personal Injury Trust Claims in accordance with the Trust Agreement and the Yarway Asbestos Personal Injury Trust Distribution Procedures in such a way that holders of Asbestos Personal Injury 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 Bankruptcy Code.

2. Significant Accounting Policies

Basis of presentation

The Trust's financial statements are prepared using special-purpose accounting methods adopted by 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 and related operating expenses of the Trust. Since the accompanying special-purpose financial statements and transactions are not

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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:

a. Investment securities are recorded at fair market value. All interest and dividend income, net of investment expenses, are included in investment income in the accompanying special-purpose statement of changes in net claimants' equity. Net realized and unrealized gains and (losses) on investment securities are recorded as a net addition or (deduction) in the special-purpose statement of changes in net claimants' equity.

b. The activities of Yarway Corporation, the Trust's wholly-owened subsidiary, are not included in the accompanying special-purpose financial statements. Under GAAP, the financial statements of Yarway Corporation would be consolidated with the financial statements of the Trust.

c. Taxable and nontaxable fixed income securities are stated at amortized cost, with amortization and accretion of bond premiums or discounts included in investment income.

d. 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.

e. The full amounts of Asbestos Personal Injury Claims will be 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.

f. Income tax expense is estimated and recorded as incurred in the period in which certain income and expense items affect current federal income taxes payable. Income tax refunds are recorded when cash is received by the Trust. Under GAAP, the provision for income taxes is recorded based upon income reported for financial statement purposes, and federal and state income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities, such as unrealized gains and losses on investment securities.

Use of estimates

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

Cash equivalents and investment securities

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

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Investment securities are stated at fair market value with changes in unrealized gains and losses recorded in the current period. Investment income is recognized when earned. Any unearned interest and dividend income are recorded as accrued interest and dividends receivable. Realized gains and losses on sales are determined using the specific identification method.

Accrued expenses and accounts payable

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

Operating expenses

Operating expenses of the Trust are recorded as deductions on the statement of changes in net claimants' equity in the period in which the invoices are received and approved.

Income taxes

The Trust is classified as a Qualified Settlement Fund under the Internal Revenue Code. As a result, the Trust is subject to federal income taxes based on modified gross income. In the opinion of Trust's management, the Trust is not subject to state income taxes, and therefore, special-purpose financial statements do not include any provision or liability for state income taxes.

The Trust files income tax returns in the United States of America (U.S.) federal jurisdiction. Since the Trust was formed during 2015, no U.S. federal income tax returns are closed under statute of limitations.

The Trust records income tax expense (or benefit) associated with amounts payable (or receivable) under current federal income taxes, and does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with changes in cumulative unrealized gains and losses on investments (see Note 4). The income taxes associated with gains on investments will be recorded in the Trust's special-purpose financial statements when the net gains are realized (i.e. the securities are sold) and the income taxes become currently payable.

Risk and uncertainties

The Trust's assets that are exposed to credit risk consist primarily of cash and cash equivalents and investment securities. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Trust has never experienced any losses related to these balances. Amounts on deposit in excess of federally insured limits at December 31, 2015 approximate $24.9 million.

The Trust invests in a professionally managed investment portfolio that contains common shares of publicly traded companies, corporate and government obligations, public real estate investment trusts, commodities, and hedge funds. Such investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Trust's account balance and the amounts reported in the special-purpose statement of assets, liabilities and net claimants' equity.

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Yarway Asbestos Personal Injury Trust

Notes to the Special-Purpose Financial Statements

3. Cash, Cash Equivalents and Investment Securities

Cash, cash equivalents, and investment securities consist of the following at December 31, 2015:

	Cost	Fair Value	Unrealized Gain
Cash and cash equivalents	$ 25,426,491	$ 25,426,491	$ -
Equities	62,218,703	62,532,878	314,175
Bonds	234,816,023	236,373,547	1,557,524
Real estate	434,801	452,022	17,221
Total investments	$ 322,896,018	$324,784,938	$ 1,888,920

The maturities of the Trust's investments in bonds are as follows as of December 31, 2015:

	Less than 1 Year	After 1 Year Through 5 Years	After 5 Years Through 10 Years	After 10 Years	Total
Bonds	$ 32,450,307	$ 98,615,735	$ 76,300,716	$ 29,006,789	$ 236,373,547

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 market or can be corroborated by observable market data for substantially the full term of the investment.

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- **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.

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

- **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.

Investments measured at fair value on a recurring basis are summarized below as of December 31, 2015:

Description	Assets Measured At Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Cash and cash equivalents	$ 25,426,491	$ 25,426,491	$ -	$ -
Equities	62,532,878	62,532,878	-	-
Bonds:				
Government	4,200,015	4,200,015	-	-
Corporate	10,404,138	-	10,404,138	-
International	1,364,243	-	1,364,243	-
Municipal	220,405,151	-	220,405,151	-
Total bonds	236,373,547	4,200,015	232,173,532	-
Public real estate investment trusts	452,022	452,022	-	-
Total assets at fair value	$ 324,784,938	$ 92,611,406	$ 232,173,532	$ -

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5. Income Taxes

The Trust made no income tax payments during the period from August 19, 2015 (inception) through December 31, 2015. The Trust recorded no income tax expense for the period from August 19, 2015 (inception) through December 31, 2015.

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

6. Liability for Asbestos Personal Injury Claims

There were no claims settled during the period from August 19, 2015 (inception) through December 31, 2015.

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, 2015 represents funding available for all Asbestos Claims for which no fixed liability has yet been established.

7. Contingent Liabilities

The Plan Documents (as defined in the Plan) subject the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust.

The probability of such claims cannot be reasonably determined. Accordingly, no associated liability has been recorded in the accompanying special-purpose financial statements. Such claims, if any, are not expected to be material.

8. Subsequent Events

The Trust has evaluated its December 31, 2015 special-purpose financial statements for subsequent events through April 22, 2016, the date the special-purpose financial statements were available to be issued. The Trust is not aware of any subsequent events which would require recognition or disclosure in the special-purpose financial statements.

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IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
YARWAY CORPORATION,	)	Case No. 13-11025 (BLS)
	)	
Reorganized Debtor.	)	

CERTIFICATE OF SERVICE

I, Marla Rosoff Eskin, of Campbell & Levine, LLC, hereby certify that on April 26, 2016, I caused a copy of the *Notice of Filing of Annual Report and Claims Summary* to be served upon the attached service list via first-class and electronic mail.

CAMPBELL & LEVINE, LLC

Dated: April 26, 2016

/s/ Marla Rosoff Eskin
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