

## Trust assets and payments

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Perrin Asbestos Litigation Conference

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## As of December 31, 2008, the trusts hold almost \$20 billion

Trust	Assets (\$ million)
USG Corp.	\$3,383
GIT (Harbison-Walker)	2,533
Owens Corning Corp.	1,971
Armstrong World Industries	1,488
Babcock & Wilcox Co.	1,163
Fibreboard	1,132
Kaiser Aluminum	1,094
Combustion Engineering	1,009
Johns-Manville Corp.	1,005
Other trusts	3,881
<b>Total</b>	<b>\$18,660</b>

## Soon, the trusts will hold almost \$30 billion

Trust	Assets (\$ million)
Existing trusts	\$18,660
Emerging trusts	
Pittsburgh Corning	2,758
NARCO	2,700
W.R. Grace	2,300
T H Agriculture & Nutrition, LLC (THAN)	901
ASARCO, LLC	850
G-I Holdings (GAF)	775
Quigley Co.	307
Flintkote Co./Flintkote Mines	216
Thorpe Insulation Co.	87
<b>Total</b>	<b>\$29,554</b>

## Payment percentages ensure that all the money will be paid out

Trust	Assets (\$ million)	Payment percentage
USG Corp.	\$3,383	45.0%
GIT (Harbison-Walker)	2,533	100.0
Owens Corning Corp.	1,971	10.0
Armstrong World Industries	1,488	20.0
Babcock & Wilcox Co.	1,163	34.0
Fibreboard	1,132	25.0
Kaiser Aluminum	1,094	39.5
Combustion Engineering	1,009	48.3
Johns-Manville Corp.	1,005	7.5
Other trusts	3,881	15.4
<b>Total</b>	<b>\$18,660</b>	<b>21.1%</b>

## How much will mesothelioma claims receive from the trusts?

- \$30 billion in trust assets
- \$20 billion or more will be paid to mesothelioma claimants
- \$25 billion or more accounts for interest (2.5% annual returns)
- 25,000 future mesothelioma claims
- \$1,000,000 or more per mesothelioma claimant

## Value of claims against bankrupt companies per the trust distribution procedures

Trust	Assets (\$ million)	Payment %	Implied value (\$ million)
USG Corp.	\$3,383	45.0%	\$7,517
GIT (Harbison-Walker)	2,533	100.0	2,533
Owens Corning Corp.	1,971	10.0	19,713
Armstrong World Industries	1,488	20.0	7,441
Babcock & Wilcox Co.	1,163	34.0	3,421
Fibreboard	1,132	25.0	4,528
Kaiser Aluminum	1,094	39.5	2,770
Combustion Engineering	1,009	48.3	2,090
Johns-Manville Corp.	1,005	7.5	13,398
Other trusts	3,881	15.4	25,189
<b>Total</b>	<b>\$18,660</b>	<b>21.1%</b>	<b>\$88,601</b>

## Future sources of additional 524(g) trust assets

- Existing trusts
  - Unresolved insurance assets
- Future trusts
  - Prepackaged bankruptcies such as THAN's
  - “Nonproduct” bankruptcies such as Thorpe's and Plant's
  - Nonasbestos bankruptcies such as those in the auto industry

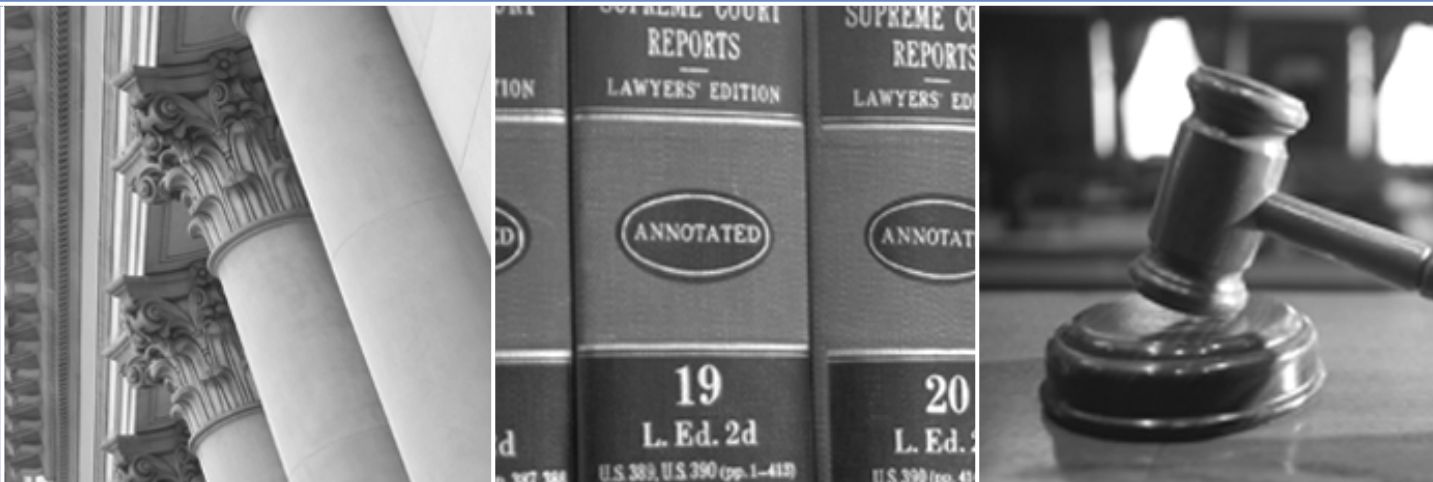
## Trusts will pay more than \$1 million per mesothelioma claim

<b>Era</b>	<b>Trust assets</b>	<b>Average payment per mesothelioma claim</b>
<b>Historically</b>	\$4 billion	\$50,000
<b>Today</b>	\$25 billion	\$1,000,000
<b>Tomorrow</b>	\$40 billion	\$1,600,000



## How much do trusts actually pay?

Payment Year	Trust payments to claimants (\$ million)	Nontrust bankruptcy payments to claimants (\$ million)	Trust expenses (\$ million)	Total (\$ million)
2002	\$214	\$532	\$33	\$779
2003	331	473	47	851
2004	323	3,153	76	3,552
2005	221	597	70	888
2006	283	1,639	95	2,017
2007	1,132	153	151	1,436
2008	2,893	229	251	3,373
<b>Total</b>	<b>\$5,397</b>	<b>\$6,776</b>	<b>\$723</b>	<b>\$12,896</b>



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