

DII Industries, LLC Asbestos PI Trust

TRUST UPDATE – AUGUST 23, 2019

Changes in the Trust's Method of Valuing Lung Cancer 1 Claims Submitted for Individual Review

Section 2.2 of the Trust Distribution Procedures requires that the Trustees use their reasonable best efforts to ensure that claims' average Liquidated Amounts approximate the Average Values stated in Section 5.3. Over the life of the Trust, the Trustees have achieved this goal. However, the average Liquidated Amounts of Lung Cancer 1 claims recently have fallen below their stated Average Values. In response, and after consultation with the Trust Advisory Committee and Legal Representative, the Trustees have adjusted the model used to value Lung Cancer 1 claims submitted for Individual Review.

Generally, the new model should produce higher valuations of Smokers' claims submitted for Individual Review than does the last model and should not affect Non-Smokers' claims' values.

Effective immediately, the Trust will use the new model to make future settlement offers. To help claimants adjust to the model change, until December 31, 2019, the Trust will permit Lung Cancer 1 claimants, upon request, to change their review process election after receiving an offer. Please send such requests and any questions you have about the model change to irmodel@diiasbestostrust.org.