MANVILLE PERSONAL INJURY SETTLEMENT TRUST

October 29, 2010

BY FEDERAL EXPRESS

Honorable Jack B. Weinstein
Senior Judge, U. S. District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

Honorable Burton R. Lifland
U.S. Bankruptcy Court
Southern District of New York
Alexander Hamilton Custom House
One Bowling Green
New York, NY 10004-1208

Dear Judge Weinstein and Judge Lifland:

Enclosed are chambers' copies of the Financial Statements and Report of the Manville Personal Injury Settlement Trust ("the Trust") for the quarter ending September 30, 2009, filed pursuant to Sections 3.02(d)(ii) and (iii) of the Trust Agreement, which were electronically filed today with the Clerk of the United States Bankruptcy Court for the Southern District of New York.

OPERATIONS

During the third quarter of 2010, the Trust received approximately 7,500 new claim filings, bringing the total claims filed during the first three quarters of 2010 to 16,400 compared to 5,700 and 15,500 for the same periods of 2009. This represents a year to date increase of 6% when compared to the same period in 2009.

The Trust settled approximately 6,400 claims for \$33.6 million during the third quarter of 2010 compared to 5,700 claim settlements for \$27.0 million during the third quarter of 2009. For the first three quarters of 2010, the Trust has settled approximately 15,800 claims for \$90.5 million compared to 14,400 claims for \$87.6 million for the same period of 2009. The average settlement amount for the first three quarters of 2010 was approximately \$5,700 comparted to \$6,100 for the same period in 2009. The reduction in the average settlement amount in 2010

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when compared to the same period in 2009 is due to the slight increase in filings and settlements of non-malignacy claims in 2010 when compared to 2009.

The Trust has paid approximately 259,200 claimants a total of $357.6 million, or 97.9% of the $365.2 million retrospective pro rata payment required as a result of the increase in pro rata percentage from 5% to 7.5% in March 2008. As of September 30, 2010, the remaining unpaid liability is approximately $7.6 million for 7,100 claimants.

On September 30, 2010, the Trust had 3,442 claims pending claimant response to an outstanding offer or denial, 1,421 claims for which the 360 day offer or denial response period had expired (but which could still be reactivated without re-filing the claim), 12,084 claims in process and 729,162 settled claims. When combined with 92,726 withdrawn claims (unsettled claims for which offers were not accepted or deficiencies not cured), as of September 30, 2010 the Trust had received 838,835 claims and had made total claim payments of approximately $4.1 billion.

FINANCIAL SUMMARY

Net operating expenses for the three and nine months ended September 30, 2010 were $1.5 million and $3.8 million, compared to $1.3 million and $3.8 million for the same periods in 2009, respectively. Operating expenses are net of Other Income of $50,000 and $178,000 for the three and nine months ended September 30, 2010 compared to $23,000 and 117,000 for the three and nine months ended September 30, 2009.

During the three and nine months ended September 30, 2010, tbe Trust made approximately $34.5 million and $102.2 million in claim payments, respectively. For the same periods in 2009, the Trust made claim payments of $30.5 million and $94.8 million. For the nine months ended September 30, 2010, net investments added approximately $46.5 million to Net Claimants' Equity compared to a net addition of approximately $132 million for the nine months ended September 30, 2009. Furthermore, as of September 30, 2010, Net Claimants' Equity was approximately $1.01 billion after claim settlements, Trust operating expenses and taxes compared to $1.06 billion at the beginning 2010.

ASSET MANAGEMENT

For the nine months ended September 30, 2010 and September 30, 2009, the Trust's total investment returns were approximately 4.9% and 14.8%, respectively. The total returns during the same periods on the Trust's equity (U.S. and non-U.S.) investments were approximately 4.3% and 22.1%, respectively. By way of comparison, the Trust's equity policy benchmark comprised of the Russell 3000 Index, a broad index of U.S. stocks, and currency half-hedged MSCI EAFE Index, a broad equity index of 22 developed markets excluding the U.S. and Canada, returned approximately 4.2% and 21.9% during the first nine months of 2010 and 2009, respectively. The total returns on fixed income investments including cash equivalents were 5.6% in the first three quarters of 2010 versus 6.4% in the first three quarters of 2009. By way of comparison, the Trust's fixed income policy benchmark comprised of the Bank of America Merrill Lynch 1-3 Year Treasury Index, an index of U.S. Treasuries with a remaining term to final maturity of less than 3 years, returned approximately 2.5% and 0.8% during the first nine months of 2010 and 2009, respectively.

As of September 30, 2010, the market value of the Trust's investments, including accrued interest and dividends, was approximately $1,055 million, of which about $525 million (50%) was in diversified equities, $493 million (47%) in fixed income securities and the remaining $37 million (3%) in cash equivalents.

Yours very truly,

Robert A. Falise

Robert A. Falise
Chairman and Managing Trustee

Enclosure

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	) In Proceedings For A
	) Reorganization Under
JOHNS-MANVILLE CORPORATION,	) Chapter 11
et al.,	)
	) Case Nos. 82 B 11656 (BRL)
Debtors	) Through 82 B 11676 (BRL)
	) Inclusive

FINANCIAL STATEMENTS AND REPORT OF
MANVILLE PERSONAL INJURY SETTLEMENT TRUST
FOR THE PERIOD ENDING SEPTEMBER 30, 2010
PURSUANT TO SECTIONS 3.02(d)(ii) and (iii)
OF THE TRUST AGREEMENT

Sections 3.02(d)(ii) and (iii) of the Trust Agreement provide that the Trustees shall prepare and file with the Court within 30 days following the end of each of the first three quarters of each Fiscal Year a quarterly report containing certified financial statements and a summary of certain additional information, including the number of Trust Claims Liquidated and the average amount per Trust Claim paid or payable, the amount of investment income earned by the Trust, and the amount of Trust Expenses incurred by the Trust. The attached Financial Statements for the Period July 1, 2010 through September 30, 2010 and the exhibits thereto are

Submitted in satisfaction of the requirements that the Trust file a quarterly report. Exhibits I, II and III of the Financial Statements set forth the specific items of information required by Sections 3.02(d)(iii)(w),(y) and (z) of the Trust Agreement.

Respectfully submitted,

MANVILLE PERSONAL INJURY
SETTLEMENT TRUST

By: /s/ David T. Austern

David T. Austern
General Counsel
Manville Personal Injury
Settlement Trust
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Dated: October 29, 2010
Falls Church, VA

CERTIFICATE OF SERVICE

I, David T. Austern, hereby certify that on October 29, 2010, I caused a true and complete copy of the Financial Statements for the Period Ending September 30, 2010 pursuant to Sections 3.02(d)(ii) and (iii) of the Manville Personal Injury Settlement Trust Agreement to be served by first class mail, postage prepaid, to the entities named on the service list annexed hereto.

/s/ David T. Austern
David T. Austern

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SPECIAL-PURPOSE CONSOLIDATED FINANCIAL STATEMENTS WITH SUPPLEMENTARY INFORMATION

MANVILLE PERSONAL INJURY SETTLEMENT TRUST

SEPTEMBER 30, 2010 AND 2009

MANVILLE PERSONAL INJURY SETTLEMENT TRUST

The special purpose consolidated financial statements included herein are unaudited. In the opinion of the management of the Trust, the accompanying special purpose consolidated financial statements present fairly, subject to normal year-end adjustments, the consolidated net claimants' equity as of September 30, 2010 and 2009 and the consolidated changes in net claimants' equity and cash flows for the three and nine months ended September 30, 2010 presented on the special-purpose basis of accounting described in Note 2, which accounting methods have been applied on a consistent basis.

/signed/ David T. Austern
David T. Austern
General Counsel

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
CONSOLIDATED STATEMENTS OF NET CLAIMANTS' EQUITY
AS OF SEPTEMBER 30, 2010 AND 2009

	2010	2009
ASSETS:		
Cash equivalents and investments (Note 2)		
Restricted (Note 9)	$51,700,000	$61,300,000
Unrestricted	999,437,620	1,043,399,720
Total cash equivalents and investments	1,051,137,620	1,104,699,720
Accrued interest and dividend receivables	4,249,060	4,463,265
Other assets	1,381,874	5,707,871
Total assets	1,056,768,554	1,114,870,856
LIABILITIES:		
Accrued expenses	3,112,554	2,918,228
Deferred income taxes (Note 10)	18,433,000	10,748,000
Unpaid claims (Notes 5, 7 and Exh. III)		
Outstanding Offers	14,781,103	15,720,471
Settled, not paid	4,356,152	4,006,128
Pro rata adjustment payable - personal injury	7,603,792	23,860,587
Lease commitments payable (Note 6)	1,387,319	2,187,800
Total liabilities	49,673,920	59,441,214
NET CLAIMANTS' EQUITY (Note 7)	$1,007,094,634	$1,055,429,642

The accompanying notes are an integral part of these consolidated statements.

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
CONSOLIDATED STATEMENTS OF CHANGES IN NET CLAIMANTS' EQUITY
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2010

	Three Months Ended 9/30/10	Nine Months Ended 9/30/10
NET CLAIMANTS' EQUITY, BEGINNING OF PERIOD	$986,833,664	$1,059,226,461
ADDITIONS TO NET CLAIMANTS' EQUITY:		
Investment income (Exhibit I)	58,118,493	46,456,799
Decrease in lease commitments payable (Note 6)	131,704	395,114
Total additions	58,250,197	46,851,913
DEDUCTIONS FROM NET CLAIMANTS' EQUITY:		
Net operating expenses (Exhibit II)	1,516,505	3,759,719
Provision for income taxes	689,100	3,659,900
Increase in outstanding claim offers	1,685,054	382,682
Claims settled	33,604,824	90,501,541
Contribution and indemnity claims settled	493,744	679,898
Total deductions	37,989,227	98,983,740
NET CLAIMANTS' EQUITY, END OF PERIOD	$1,007,094,634	$1,007,094,634

The accompanying notes are an integral part of these consolidated statements.

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2010

	Three Months Ended 9/30/10	Nine Months Ended 9/30/10
CASH INFLOWS:		
Investment income receipts	$6,571,495	$20,730,991
Decrease in other assets		4,758,094
Net realized gains on investment securities		7,595,133
Total cash inflows	6,571,495	33,084,218
CASH OUTFLOWS:		
Claim payments made	33,959,573	101,525,000
Contribution and indemnity claim payments	493,744	679,898
Total cash claim payments	34,453,317	102,204,898
Disbursements for Trust operating expenses and income taxes paid	3,198,305	7,445,044
Increase in other assets	870,249	
Net realized losses on investment securities	315,093	
Total cash outflows	38,836,964	109,649,942
NET CASH OUTFLOWS	(32,265,469)	(76,565,724)
NON-CASH CHANGES:		
Net unrealized gain on investment securities	61,121,231	21,367,905
NET INCREASE (DECREASE) IN CASH EQUIVALENTS AND INVESTMENTS	28,855,762	(55,197,819)
CASH EQUIVALENTS AND INVESTMENTS BEGINNING OF PERIOD	1,022,281,858	1,106,335,439
CASH EQUIVALENTS AND INVESTMENTS END OF PERIOD	$1,051,137,620	$1,051,137,620

The accompanying notes are an integral part of these consolidated statements.

MANVILLE PERSONAL INJURY SETTELEMENT TRUST
NOTES TO SPECIAL-PURPOSE CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2010 AND 2009

(1) DESCRIPTION OF THE TRUST

The Manville Personal Injury Settlement Trust (the Trust), organized pursuant to the laws of the state of New York with its office in Pound Ridge, New York, was established pursuant to the Manville Corporation (Manville or JM) Second Amended and Restated Plan of Reorganization (the Plan). The Trust was formed to assume Manville's liabilities resulting from pending and potential litigation involving (i) individuals exposed to asbestos who have manifested asbestos-related diseases or conditions, (ii) individuals exposed to asbestos who have not yet manifested asbestos-related diseases or conditions and (iii) third-party asbestos-related claims against Manville for indemnification or contribution. Upon consummation of the Plan, the Trust assumed liability for existing and future asbestos health claims. The Trust's initial funding is described below under "Funding of the Trust." The Trust's funding is dedicated solely to the settlement of asbestos health claims and the related costs thereto, as defined in the Plan. The Trust was consummated on November 28, 1988.

In December 1998, the Trust formed a wholly-owned corporation, the Claims Resolution Management Corporation (CRMC), to provide the Trust with claim processing and settlement services. Prior to January 1, 1999, the Trust provided its own claim processing and settlement services. CRMC began operations on January 1, 1999 in Fairfax, Virginia and subsequently relocated to Falls Church, Virginia. The accounts of the Trust and CRMC have been consolidated for financial reporting purposes. All significant intercompany balances and transactions between the Trust and CRMC have been eliminated in consolidation.

The Trust was initially funded with cash, Manville securities and insurance settlement proceeds. Since consummation, the Trust has converted the Manville securities to cash and currently holds no Manville securities.

(2) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The Trust's financial statements are prepared using special-purpose accounting methods that differ from accounting principles generally accepted in the United States. The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the amount of equity available for payment of current and future claims. These special-purpose accounting methods are as follows:

(1) The financial statements are prepared using the accrual basis of accounting.

(2) The funding received from JM and its liability insurers was recorded directly to net claimants' equity. These funds do not represent income of the Trust. Settlement offers for asbestos health claims are reported as deductions in net claimants' equity and do not represent expenses of the Trust.

(3) Costs of non-income producing assets, which will be exhausted during the life of the Trust and are not available for satisfying claims, are expensed as they are incurred. These costs include acquisition costs of computer hardware, software, software development, office furniture and leasehold improvements.

(4) Future fixed liabilities and contractual obligations entered into by the Trust are recorded directly against net claimants' equity. Accordingly, the future minimum rental commitments outstanding at period end for non-cancelable operating leases, net of any sublease agreements, have been recorded as deductions to net claimants' equity.

(5) The liability for unpaid claims reflected in the special-purpose consolidated statements of net claimants' equity represents settled but unpaid claims and outstanding settlement offers. Post-Class Action complaint claims' liability is recorded once a settlement offer is made to the claimant (Note 3) at the amount equal to the expected pro rata payment. No liability is recorded for future claim filings and filed claims on which no settlement offer has been made. Net claimants' equity represents funding available to pay present and future claims on which no fixed liability has been recorded.

(6) Investment securities are recorded at fair value. All interest and dividend income on investment securities, net of investment expenses are included in investment income on the special-purpose consolidated statements of changes in net claimants' equity. Realized and unrealized gains and losses on investment securities are combined and recorded on the special-purpose consolidated statements of changes in net claimants' equity.

Realized gains/losses on investment securities are recorded based on the security's original cost. At the time a security is sold, all previously recorded unrealized gains/losses are reversed and recorded net, as a component of other unrealized gains/losses in the accompanying consolidated statements of changes in net claimants' equity.

(b) Use of Estimates

The preparation of financial statements in conformity with the special-purpose accounting methods described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net claimants' equity during the reporting period. Actual results could differ from those estimates. The most significant estimates with regard to these financial statements relate to unpaid claims, as discussed in Notes 3 and 5.

(c) Reclassifications

Certain amounts in the 2009 financial statements have been reclassified to conform to the 2010 presentation. These reclassifications have no effect on the previously recorded balance of net claimants' equity

(3) CASH EQUIVALENTS AND INVESTMENTS

At September 30, 2010 and 2009, the Trust has recorded all of its investment securities at fair value, as follows:

	2010		2009	
	Cost	Fair Value	Cost	Fair Value
Restricted				
Cash equivalents	$4,247,995	$ 4,247,995	$373,807	$ 373,807
U.S. Govt. obligations	15,799,160	16,051,794	16,696,926	16,815,287
Corporate and other debt	6,570,265	6,922,265	8,867,692	9,177,994
Equities – U.S.	14,781,780	24,477,946	23,514,174	34,932,912
Total	$41,399,200	$51,700,000	$49,452,599	$61,300,000

	2010		2009	
	Cost	Fair Value	Cost	Fair Value
Unrestricted				
Cash equivalents	$75,971,553	$75,971,553	$72,731,006	$72,731,006
U.S. Govt. obligations	185,777,061	193,196,708	221,844,230	229,865,292
Corporate and other debt	220,466,856	230,789,650	177,087,290	181,565,688
Equities – U.S.	314,570,655	387,389,639	425,114,040	450,817,093
Equities – International	90,001,802	112,090,070	86,816,282	108,420,641
Total	$886,787,927	$999,437,620	$983,592,848	$1,043,399,720

The Trust invests in two types of derivative financial instruments. Equity index futures are used as strategic substitutions to cost effectively replicate the underlying index of its domestic equity investment fund. At September 30, 2010, the fair value of these instruments was approximately $4.4 million and was included in investments on the special-purpose consolidated statement of net claimants' equity. Foreign currency forwards are utilized for both currency translation purposes and to economically hedge against the currency risk inherent in foreign equity issues and are generally for periods up to 90 days. At September 30, 2010, the Trust held $55.2 million in net foreign currency forward contracts. The unrealized loss on these outstanding currency forward contracts of approximately $1.4 million is offset by an equal unrealized gain due to currency exchange on the underlying international securities. These net amounts are recorded in the special-purpose consolidated statement of net claimants' equity at September 30, 2010.

The Trust invests in professionally managed portfolios that contain common shares of publicly traded companies, U.S. government obligations, U.S. and International equities, corporate and other debt, and money market 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 investment securities, it is reasonable 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 in the future and the amounts reported in the special-purpose consolidated statements of net claimants' equity and special-purpose consolidated statements of change in net claimants' equity.

(4) FIXED ASSETS

The cost of non-income producing assets that will be exhausted during the life of the Trust and are not available for satisfying claims are expensed as incurred. Since inception, the cost of fixed assets expensed, net of disposals, include:

Acquisition of furniture and equipment	$ 288,600
Acquisition of computer hardware and software	450,300
Computer software development (e-Claims)	2,361,100
Total	$3,100,000

These items have not been recorded as assets, but rather as direct deductions to net claimants' equity in the accompanying special-purpose consolidated financial statements.

(5) UNPAID CLAIMS

The Trust distinguishes between claims that were resolved prior to the filing of the class action complaint on November 19, 1990, and claims resolved after the filing of that complaint. Claims resolved prior to the complaint (Pre-Class Action Claims) were resolved under various payment plans, all of which called for 100% payment of the full liquidated amount without interest over some period of time. However, between July 1990 and February 1995, payments on all claims except qualified exigent health and hardship claims were stayed by the courts. By court order on July 22, 1993 (which became final on January 11, 1994), a plan submitted by the Trust was approved to immediately pay, subject to claimant approval, a discounted amount on settled, but unpaid Pre-Class Action Claims, in full satisfaction of these claims. The discount amount taken, based on the claimants who accepted the Trust's discounted offer, was approximately $135 million.

The unpaid liability for the Post-Class Action claims represents outstanding offers made in First-in, First-out (FIFO) order to claimants eligible for settlement after November 19, 1990. Under the Trust Distribution Process (TDP) (Note 5), claimants receive an initial pro rata payment equal to a percentage of the liquidated value of their claim. The Trust remains liable for the unpaid portion of the liquidated amount only to the extent that assets are available after paying all claimants the established pro rata share of their claims. The Trust makes these offers electronically for law firms that file their claims electronically (e-filers), or in the form of a check made payable to the claimant and/or claimant's counsel for claimants that file their proof of claim on paper. E-filers may accept their offers electronically and the Trust records a settled, but unpaid claim at the time of acceptance. Paper filers may accept their offer by depositing the check. An unpaid claim liability is recorded once an offer is made. The unpaid claim liability remains on the Trust's books until accepted or expiration of the offer after 360 days. Expired offers may be reinstated if the claimant accepts the original offer within two years of offer expiration.

(6) COMMITMENT

In September 2009, the CRMC executed an early termination of its Falls Church, Virginia office effective September 30, 2010. Subsequently CRMC signed a new 5-year office lease effective October 1, 2010 at its same location for approximately one-half its current space. CRMC has a 5-year option at expiration of its current lease in September 2015.

Future minimum rental commitments under this operating lease, as of September 30, 2010, are as follows:

Calendar Year	Amount
2010	0
2011	218,527
2012	299,388
2013	308,330
2014	317,561
2015	243,513
	$1,387,319

This obligation has been recorded as a liability in the accompanying special-purpose consolidated statement of net claimants' equity.

(7) NET CLAIMANTS' EQUITY

A class action complaint was filed on behalf of all Trust beneficiaries on November 19, 1990, seeking to restructure the methods by which the Trust administers and pays claims. On July 25, 1994, the parties signed a Stipulation of Settlement that included a revised the TDP. The TDP prescribes certain procedures for distributing the Trust's limited assets, including pro rata payments and initial determination of claim value based on scheduled diseases and values. The Court approved the settlement in an order dated January 19, 1995 and the Trust implemented the TDP payment procedures effective February 21, 1995.

Prior to the commencement of the class action in 1990, the Trust filed a motion for a determination that its assets constitute a "limited fund" for purposes of Federal Rules of Civil Procedure 23(b)(1)(B). The Courts adopted the findings of the Special Master that the Trust is a "limited fund". In part, the limited fund finding concludes that there is a substantial probability that estimated future assets of the Trust are and will be insufficient to pay in full all claims that have been and will be asserted against the Trust.

The TDP contains certain procedures for the distribution of the Trust's limited assets. Under the TDP, the Trust forecasts its anticipated annual sources and uses of cash until the last projected future claim has been paid. A pro rata payment percentage is calculated such that the Trust will have no remaining assets or liabilities after the last future claimant receives his/her pro rata share.

Prior to the implementation of the TDP, the Trust conducted its own research and monitored studies prepared by the Courts' appointee regarding the valuation of Trust assets and liabilities. Based on this valuation, the TDP provided for an initial 10% payment of the liquidated value of then current and estimated future claims (pro rata payment percentage). As required by the TDP, the Trust has periodically reviewed the values of its projected assets and liabilities to determine whether a revised pro rata payment percentage should be applied. In June 2001 the pro rata percentage was reduced from 10% to 5%.

During the second and third quarters of 2002, the Selected Counsel for the Beneficiaries (SCB) and Legal Representative of Future Claimants (Legal Representative) and the Trust met to discuss amending the TDP. As a result of these meetings, in late August 2002, the parties agreed to TDP amendments that are now contained in what is referred to as the "2002 TDP". The 2002 TDP principally changes the categorization criteria and scheduled values for the scheduled diseases.

In January 2008, the Trust completed its most recent review of the Trust's projected assets and liabilities. Based upon this review, the Trustees approved an increase in the pro rata percentage from 5% to 7.5%. This proposed change received the required concurrence of the SCB and the Legal Representative in early March 2008. Under the TDP any claimant who received less than the current pro rata percentage is entitled to receive a retroactive payment sufficient to increase their previous payment percentage to the current pro rata percentage. Accordingly, the Trust recorded a liability of $365.6 million for approximately 282,000 personal injury claimants eligible to receive a retro active payment. Through September 30, 2010, the Trust has paid approximately 274,500, claimants a total of $358 million and approximately $7.6 million remains unpaid.

The Trust will continue to periodically update its estimate of the pro rata payment percentage based on updated assumptions regarding its future assets and liabilities and, if appropriate, propose changes in the pro rata payment percentage.

(8) EMPLOYEE BENEFIT PLAN

The Trust established a tax-deferred employee savings plan under Section 401(k) of the Internal Revenue Code, with an effective date of January 1, 1988. The plan allows employees to defer a percentage of their salaries within limits set by the Internal Revenue Code with the Trust matching contributions by employees of up to 6% of their salaries. The total employer contributions and expenses under the plan were approximately $34,600 and $113,200 for the three months and nine months ended September 30, 2010, respectively.

(9) RESTRICTED CASH EQUIVALENTS AND INVESTMENTS

In order to avoid the high costs of director and officer liability insurance, the Trust ceased purchasing such insurance in 1991 and, with the approval of the United States Bankruptcy Court for the Southern District of New York, the Trust established a segregated security fund of $30 million and, with the additional approval of the United States District Court for the Southern and Eastern Districts of New York, an additional escrow fund of $3 million from the assets of the Trust, which are devoted exclusively to securing the obligations of the Trust to indemnify the former and current Trustees and officers, employees, agents and representatives of the Trust. Also, a $15 million escrow and security fund was established to secure the obligations of the Trust to exclusively indemnify the current Trustees, whose access to the other security funds is subordinated to the former Trustees. Upon the final order in the Class Action litigation (Note 5), the $15 million escrow and security fund was reduced by $5 million. Pursuant to Section 5.07 of the Plan, Trustees are entitled to a lien on the segregated security and escrow funds to secure the payment of any amounts payable to them through such indemnification. Accordingly, in total, $43 million has been transferred from the Trust's bank accounts to separate bank escrow accounts and pledge and security agreements have been executed perfecting those interests. The investment earnings on these escrow accounts accrue to the benefit of the Trust.

Additionally, as a condition of the tax agreement between JM and the Trust discussed in Note 10 the Trust was required to transfer $30 million in cash to an escrow account to secure the payment of its future income tax obligations post settlement of the transaction. The escrow account balance may be increased or decreased over time. As of September 30, 2010, securities with a market value of $35.1 million were held by an escrow agent, of which $8.7 million is reported as restricted in accordance with the agreement.

(10) INCOME TAXES

For federal income tax purposes, JM had elected for the qualified assets of the Trust to be taxed as a Designated Settlement Fund (DSF). Income and expenses associated with the DSF are taxed in accordance with Section 468B of the Internal Revenue Code, which obligates JM to pay for any federal income tax liability imposed upon the DSF. In addition, pursuant to an agreement between JM and the Trust, JM is obligated to pay for any income tax liability of the Trust. In a subsequent separate agreement between the Trust and JM to facilitate the sale of JM to a third party, JM paid the Trust $90 million to settle the JM obligation to the Trust. In return, the Trust terminated JM's contractual liability for income taxes of the DSF and agreed to indemnify JM in respect for all future income taxes of the Trust and established an escrow fund to secure such indemnification. The statutory income tax rate for the DSF is 15%. As a New York domiciled trust, the Trust is not subject to state income taxes. CRMC files separate federal and state corporate income taxes returns.

The Trust records deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the book and tax basis of assets and liabilities. As of September 30, 2010, the Trust has recorded a net deferred tax liability of approximately $18.4 million from net unrealized gains on investment securities. As of September 30, 2010 and 2009, the Trust recorded net deferred tax assets of $241,000 and $228,500, representing temporary differences primarily due to expensing asset acquisitions for financial reporting purposes, accrued vacation and deferred compensation. The deferred tax assets are included in other assets in the accompanying consolidated statement of net claimants' equity. As of September 30, 2010 and 2009, the Trust has prepaid income taxes of $887,000 and income tax receivable of $5.2 million, respectively. These amounts are included with deposits and other assets on the consolidated statements of net claimants' equity as of September 30, 2010 and 2009, respectively.

(11) PROOF OF CLAIM FORMS FILED

Proof of claim forms filed as September 30, 2010 and 2009 with the Trust are as follows:

	2010	2009
Claims filed	838,835	817,264
Withdrawn (1)	(92,726)	(91,655)
Expired offers (2)	(1,421)	(1,613)
Active claims	744,688	723,996
Settled claims	(729,162)	(709,144)
Claims currently eligible for settlement	15,526	14,852

(1) Principally claims that have received a denial notification and the claims are in an expired status for more than two years. These claims must be refiled to receive a new offer.

(2) Claims that received a Trust offer or denial, but failed to respond within the specified response period, usually 360 days. As of September 30, 2010 and 2009, approximately 700 and 800 respectively, of the claims with expired offers are still eligible to accept their original offer with a payment value of $4.4 million and $4.0 million, respectively. All claims with expired offers may be reactivated upon written request by the claimant and will be eligible for a new offer at the end of the FIFO queue.

MANVILLE PERSONAL INJURY SETTLEMENT TRUST

The following exhibits are provided in accordance with Article 3.02 (d)(iii) of the Manville Personal Injury Settlement Trust Agreement.

EXHIBIT I

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
CONSOLIDATED INVESTMENT INCOME
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2010

	Three Months Ended 9/30/10	Nine Months Ended 9/30/10
INVESTMENT INCOME		
Interest	$ 3,782,569	$ 12,322,726
Dividends	3,076,784	9,521,945
Total interest and dividends	6,859,353	21,844,671
Net realized (losses) gains	(315,093)	7,595,133
Net unrealized gains, net of the change in deferred income taxes (Note 10)	51,962,231	18,171,905
Investment expenses	(387,998)	(1,154,910)
TOTAL INVESTMENT INCOME	$ 58,118,493	$ 46,456,799

The accompanying notes are an integral part of this exhibit.

EXHIBIT II

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
CONSOLIDATED NET OPERATING EXPENSES
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2010

	Three Months Ended 9/30/10	Nine Months Ended 9/30/10
NET OPERATING EXPENSES:		
Personnel costs	$ 1,015,385	$ 2,531,502
Office general and administrative	210,696	550,208
Travel and meetings	30,628	58,615
Board of Trustees	122,915	403,331
Professional fees	157,799	319,497
Net fixed asset purchases	5,497	10,015
Computer and other EDP costs	23,954	64,092
Other income	(50,369)	(177,541)
TOTAL NET OPERATING EXPENSES	$ 1,516,505	$ 3,759,719

The accompanying notes are an integral part of this exhibit.

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
SCHEDULE OF LIQUIDATED CLAIMS
SINCE CONSUMMATION (NOVEMBER 28, 1988)
THROUGH SEPTEMBER 30, 2010

	Number	Amount	Average Payment Amount
Trust Liquidated Claims			
Pre-Class Action Complaint November 19, 1990 and Before-			
Full Liquidated Claim Value	27,590	$1,187,852,399	
Present Value Discount (1)		(135,306,535)	
Net Settlements	27,590	1,052,545,864	
Payments	(27,590)	(1,052,545,864)	$38,150
Unpaid Balance	0	$0	
Post-Class Action Complaint After November 19, 1990-			
Offers Made at Full Liquidated Amount	704,246	$35,049,695,249	
Reduction in Claim Value (2)		(32,002,510,078)	
Net Offer Amount	704,246	3,047,185,171	
Offers Accepted	(701,572)	(3,032,404,068)	$4,322
Outstanding Offers	2,674	14,781,103	
Offers Accepted, Not Paid	747	4,356,152	
Pro rata Adjustment Payable	7,135	7,603,792	$1,066
Unpaid Balance	10,556	26,741,047	
Total Trust Liquidated Claims	729,162	4,084,949,932	$5,602
Manville Liquidated Claims Paid (3)	158	$24,946,620	
Co-Defendant Liquidated Claims (4)			
Settlement Claim Value		$93,884,871	
Investment Receipts (5)		2,624,732	
Payments, Net of Returned Settlement (6)		(96,509,603)	
Unpaid Balance		$0	

(1) The unpaid liability for Pre-Class Action Complaint claims has been reduced based upon a plan approved by the Courts in January, 1994 which requires the Trust to offer to pay a discounted amount in full satisfaction of the unpaid claim amount.

(2) Under the TDP, Post Class Action Complaint claims have been reported at a pro rata percentage of their liquidated value.

(3) Manville Liquidated Claims refers to Liquidated AH Claims (as defined in the Plan) which the Trust has paid pursuant to an order of the United States Bankruptcy Court for the Southern District of New York dated January 27, 1987.

(4) Number of personal injury claimants not identifiable.

(5) Investment receipts of separate investment escrow account established for the sub-class beneficiaries per the Stipulation of Settlement, net of income taxes.

(6) Per the terms of the MacArthur Fund Principles of the 1995 TDP, upon successful insurance litigation, the MacArthur Group returned $10 million plus the change in value.

The accompanying notes are an integral part of this exhibit.

MANVILLE PERSONAL INJURY SETTLEMENT TRUST
SCHEDULE OF LIQUIDATED CLAIMS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2010

	Number	Amount	Average Payment Amount
Trust Liquidated Claims			
Post-Class Action Complaint After November 19, 1990 (1)			
Offers Outstanding as of June 30, 2010	2,391	$13,096,049	
Net Offers Made (2)	6,664	35,289,878	
Offers Accepted	(6,381)	(33,604,824)	$5,266
Offers Outstanding as of September 30, 2010	2,674	14,781,103	
Offers Accepted, Not Paid as of Sept. 30, 2010	747	4,356,152	
Payable as of September 30, 2010	3,421	$19,137,255	
Pro Rata Adjustment			
Payable as of June 30, 2010	8,052	8,434,860	
Net Payments/Reversals (3)	(917)	(831,068)	$906
Payable as of September 30, 2010	7,135	$7,603,792	
Co-Defendant Liquidated Claims			
Payable as of June 30, 2010		$0	
Settled		493,744	
Paid		(493,744)	
Payable as of September 30, 2010		$0	

(1) Under the TDP, Post Class Action Complaint claims have been reported at a pro rata percentage of their liquidated value.

(2) Represents payment offers made during the period net of rejected and expired offers.

(3) Claim payments net of funds returned and adjustments.

The accompanying notes are an integral part of this exhibit.