

EXHIBIT "C"

J.T. Thorpe Settlement Trust Claim Report As of December 31, 2006

This report is submitted pursuant to Section 2.2 (c) (ii) of the J.T. Thorpe Settlement Trust Agreement, which requires the Trust to file with the Bankruptcy Court a summary of the number and type of claims disposed of during the period covered by the financial statements. This report summarizes the Trust's processing of "Pre-Confirmation Liquidated Claims" (claims liquidated under supervision of the Bankruptcy Court) and "Trust Claims" (new unliquidated claims received since June 29, 2006, the Effective Date of the Trust).

Pre-Confirmation Liquidated Claims

The Trust implemented a procedure to pay the approved Pre-Confirmation Liquidated Claims in accordance with the Plan, the Trust Distribution Procedures (TDP), the Confirmation Order, the January 27, 2006, Order Liquidating Asbestos Related Claims, and the Agreement Regarding Initial Payment Percentage entered into on June 29, 2006, by the Trust Advisory Committee (TAC) and the Futures Representative. The Agreement Regarding Initial Payment Percentage provided that the initial payment to Pre-Confirmation Liquidated claimants was to be 50% of the total liquidated claim value.

The Trust received a spreadsheet listing the 1,474 approved Pre-Confirmation Liquidated Claims identified in this Court's Order Liquidating Asbestos Related Claims. The names and amounts on the spreadsheet were verified against those listed in the Order Liquidating Asbestos Related Claims.

A signed declaration was required from each law firm certifying that the claimants listed on the spreadsheet were entitled to recover; that the amounts to be paid to the claimants were in conformance with the Plan of Reorganization and the Order Liquidating Asbestos Related Claims; that no such claimant was incapacitated as to any release signed by a power of attorney; that the amounts paid to the law firm on behalf of the claimants would be placed in the law firm's trust account for the benefit of each claimant; that no funds would be disbursed to claimants until the Trust had received a proper release and the social security number of the injured party; that attorneys' fees would not exceed 25% of the amount paid; and that the claimants were not subject to IRS withholding requirements.

The Trust reviewed the releases for accuracy and completeness against the approved release form and the Order Liquidating Asbestos Related Claims, and confirmed that the claimant, or a person with authority, signed the release.

This procedure was approved by the Trustee, with the consent of the TAC and the Futures Representative, at the July 10, 2006, meeting.

Of the 1,474 approved Pre-Confirmation Liquidated Claims, the Trust paid 1,297 and 3 were withdrawn by their respective law firms during the Accounting Period. The total amount of Thirty-One Million, Two Hundred Ninety-Four Thousand, One Hundred Ninety Dollars and 85/100 (\$31,294,190.85) was paid in trust to the representative law firms. The Trust awaits the proper release documents for the remaining 174 unpaid Pre-Confirmation Liquidated Claims.

Trust Claims

The requirements set forth in the J.T. Thorpe Case Valuation Matrix (Matrix) and TDP were adhered to and all deadlines were met in creating an electronic claims processing system and establishing claims processing procedures and forms for Trust Claims. A website was developed (www.jttstrust.com) and the Trust formation documents, notifications, and claims processing procedures and forms were posted and timely updated. The Trust was ready to accept claims on October 16, 2006 and the first Trust Claim was submitted on October 24, 2006.

On November 3, 2006, just eight business days after the first Trust Claim was received, 5 claims were determined to be valid and Release Authorization request letters (settlement offers) were sent. Once a Release Authorization request letter is sent, the approved release may be generated, signed by the claimant or person with authority, and submitted to the Trust. Upon the Trust’s receipt of a proper release, the settlement offer is deemed to have been accepted and payment issued.

The liquidated claim value for each compensable disease is determined by the Matrix and TDP. Claim compensation is adjusted for individual claimants based upon tort related individual characteristics, including, but not limited to: age, marital status, dependents, medical specials, economic loss, and whether living at the time of commencement of litigation or filing the claim with the Trust. Each valid claim is awarded a total liquidated value.

From October 24, 2006, through December 31, 2006, 48 claims were received and 1 claim was withdrawn. During that same period, 7 claims were determined to be valid and received Release Authorization request letters, which included the calculated settlement offer under the Matrix. Of those 7 valid claims, 2 claims were paid by the Trust in the total amount of \$128,437. The below chart reflects the total liquidated value for those 7 claims.

<i>Trust Claims (Settled or Settlement Offer Made)</i>	
Count	7
Total Liquidated Value of 7 Claims	\$1,437,191.44
Average Liquidated Value Per Claim	\$205,313.05

All 7 of the above claims have a diagnosis of Mesothelioma.