In 1953, Owens Corning began distributing asbestos-containing insulation (under the Kaylo brand name). This later resulted in numerous lawsuits filed by individuals who developed asbestos-related diseases such as mesothelioma and lung cancer as a result of exposure to asbestos from Owens Corning insulation. In October 2000, Owens Corning filed for Chapter 11 bankruptcy protection. Several years later, in 2006, the Owens Corning Trust was formed and procedures were approved by the bankruptcy court to provide the methods for filing a claim against the Trust, and a process for the Trust to evaluate and pay valid claims.

The claims process requires claimants to provide certain medical and exposure information in order to establish a valid claim. If a claim is approved, then pursuant to the Trust Distribution Process (the 'TDP') a liquidated value is determined for the claim. The TDP also provides that a Payment Percentage must be applied to the liquidated value to arrive at the actual amount to be paid by the trust to settle the claim. The Trustees are required to set the Payment Percentage at a level such that the Trust will be able to pay current claims and future claims as equitably as reasonably possible.

The Owens Corning Trust's Payment Percentage was initially set at 40%. However, the Trustees recently reconsidered the Payment Percentage as a result of greater than anticipated claims payments as well as a reduction in the value of the Trust's assets available to pay present and future claims. After this reconsideration, the Trust has reduced its Payment Percentage from 40% to 10%, which dramatically lowers the anticipated payments to individual claimants who have claims approved by the Trust.

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