



ASBESTOS BULLETIN

Newsletter of the Asbestos Relief Trust & the Kgalagadi Relief Trust



August 2010

Kgalagadi Relief Trust (KRT) Introduces New Grant Model

New Model for Grant Administration of the Kgalagadi Relief Trust

1. The KRT trustees agreed on 21 April 2010 to implement a new model for the award of compensation to qualifying claimants, back dated to 1 March 2010.
2. This followed a notification from the founder's attorneys on 22 January 2010 that, on the basis of the current grant administration model, the projected grant liability to 2026 would far exceed the amount provided for.
3. The founder's attorneys recommended to the trustees that :
 - ◆ Social responsibility funds should in future be used

for making grants rather than supporting community projects;

- ◆ No inflation linked increases should be made to the grant schedule;
 - ◆ A cap should be introduced for payment of grants to mesothelioma patients; and
 - ◆ A higher minimum impairment should be set for the acceptance of ARD1 claimants.
4. The Trustees duly agreed to implement these recommendations taking into account the requirements of the Trust Deed, the funding constraints outlined by the founders and the considerations of equity, fairness and administrative justice.

New KRT Grant Model Details

In terms of the new model:

- ◆ Stricter diagnostic criteria for ARD1 will be introduced. The diagnostic criteria for ARD2, ARD3 and ARD4 remain unchanged.
- ◆ A new grant schedule will be introduced:
 - ⇒ Qualifying claimants who have experienced "KRT only" exposure will receive a set amount for each disease category, regardless of the skills level, exposure location (e.g. above/below ground; occupational/environmental) or age.
 - ⇒ As of 1 March 2010, the set amount is as follows:
 - ARD1—R28 000
 - ARD2—R70 000
 - ARD3—R210 000
 - ARD4—(occupational or environmental) - R280 000
 - ⇒ If the claimant was exposed to other sources of asbestos, the set amount will be adjusted to reflect the proportion of KRT exposure relative to other exposures.
 - ⇒ The notional or actual ODMWA payment made to the qualifying payment will no longer be deducted from the KRT grant.
 - ⇒ Dependents will receive 50% of the set amount that have been payable to the deceased claimant

Asbestos Trust Statistics as at 30 June 2010

Total Number of Claim Enquiries Received

| | |
|-----------------------------------|---------------|
| Asbestos Relief Trust Enquiries: | 12,663 |
| Kgalagadi Relief Trust Enquiries: | 1,279 |
| Dual (ART & KRT) Enquiries: | 1,618 |
| Environmental Claims: | 315 |
| Total Enquiries: | 15,875 |

| | Asbestos Relief Trust | | | | Kgalagadi Relief Trust | | | |
|--------------|-----------------------|---------------------|------------------|-------------------|------------------------|--------------------|------------------|-------------------|
| | Claims Paid | | Pending Payments | | Claims Paid | | Pending Payments | |
| | No. | Amount | No. | Amount | No. | Amount | No. | Amount |
| ARD 1 | 2530 | R99,809,366 | 112 | R3,671,668 | 786 | R26,640,825 | 52 | R1,38,720 |
| ARD 2 | 321 | R26,168,464 | 11 | R440,596 | 110 | R7,409,701 | 9 | R492,366 |
| ARD 3 | 42 | R6,897,184 | 9 | R1,151,633 | 24 | R3,082,452 | 8 | R985,891 |
| ARD 4 | 183 | R63,693,857 | 7 | R2,437,874 | 81 | R25,743,941 | 4 | R538,810 |
| Total | 3076 | R196,568,871 | 139 | R7,701,771 | 1001 | R62,876,919 | 73 | R2,017,067 |

Interpreting the Statistics (Definitions)

- **Enquiries:** refers to the total number of individuals who seek to lodge a claim with either of the asbestos trust and will include individuals who may or may not meet all the criteria to lodge a claim.
- **Dual Enquiries:** refers to individuals who seek to lodge a claim with both the Asbestos and Kgalagadi Relief Trusts
- **Pending Payments:** refers to claims that have been approved for payment but not yet paid due to outstanding banking details and/or the signed Release and Discharge form.
- **ARD1:** means asbestos related pleural thickening and/or asbestosis with mild to moderate lung function impairment
- **ARD2:** means asbestos related pleural thickening and/or asbestosis, with severe lung function impairment
- **ARD3:** means asbestos related lung cancer
- **ARD4:** means mesothelioma

News in Brief

- **Buddy Training held in Johannesburg** — Johannesburg People Living with Cancer (PLWC) group had a cancer Buddy training session at the Donald Gordon Oncology Unit on the 17th and 18th of July 2010 for 30 attendees. The group worked together to prepare cancer survivors and caregivers to reach out to newly diagnosed patients in their region in future. More information can be found on: <http://plwc.org.za/blog/category/johannesburg/>
- **Seized Zim asbestos mining company now a shadow of its former self** — Zimbabwe's Shabanie & Mashaba Mines (SMM), which mines asbestos in the South-West of the country, remains comatose and could soon collapse if urgent intervention is not forthcoming. The asbestos-mining entity was placed under curatorship following owner Mutumba Mawere's flight to South Africa several years ago after falling out with President Robert Mugabe's government and the subsequent seizure of his companies. If he returns to Zimbabwe, Mawere faces arrest for 'extermalising' foreign currency almost a decade ago. More information can be found on: <http://www.miningweekly.com/article/seized-zim-asbestos-miner-now-a-shadow-of-its-former-self-2010-07-16>
- **Mesothelioma Trial Awards Woman \$5.2 Million** — In an asbestos-related case taking place in Utah earlier this year, a woman received \$5.2 million after becoming diagnosed with the rare cancer peritoneal mesothelioma. As a teenager and young adult, Ms Vickie Warren helped her father build homes and duplexes. It is believed she was exposed to asbestos-containing joint compounds during this time. The joint compounds were used to seal seams on wallboards, ceilings and floorings within the homes. Ms Warren lived in one of the homes for 14 years. More information can be found on: <http://www.asbestos.com/news/2010/07/21/mesothelioma-trial-awards-woman-5-2-million/>
- **Mourners at the Italy Eternit Trial** — On 12 July 2010 many people from Casale went to Court wearing a black ribbon on their arms, mourning the death of Luisa Minazzi, school headmaster, active member of Legambiente (environmental NGO in Italy), formerly responsible for the environmental problems in Casale, who died on 6 July of mesothelioma. More information can be found on: <http://asbestosinthedock.ning.com/profiles/blogs/field-report-day-19-mourners>
- **Dangers in the Dust—inside the global asbestos trade - LONDON, UK / WASHINGTON, DC:** Banned or restricted in more than 50 countries, white asbestos continues to be widely used in China, India, Russia and Brazil, and many developing nations, according to *Dangers in the Dust*, a joint report by the International Consortium of Investigative Journalists (ICIJ) and the BBC's International News Services. Asbestos production is holding steady at around 2 million metric tons per year. Top producers Russia, Canada, and Brazil account for nearly three-quarters of the world supply. More information can be found on: <http://www.bizcommunity.com/Article/196/11/50284.html>, released on 22 July 2010.
- **Cadbury Bourville worker compensated for asbestos exposure** - A former publications officer at Cadbury's Bourville factory has received £100,000 compensation after developing the fatal asbestos-related cancer mesothelioma. Brian Harrison, 76, from Manchester, worked for Cadbury between 1954 to 1962. He spent much of his time interviewing colleagues who had interesting stories to tell or were retiring, for publication in the monthly work magazine. Mr Harrison recalls, from time to time interviewing workers who would be stripping and repairing asbestos insulated pipe work. He was diagnosed with mesothelioma in July 2009. More information can be found on: <http://www.thompsons.law.co.uk/ntext/worker-compensated-asbestos-exposure.htm>
- **CNA Sell Asbestos Liabilities to Berkshire Hathaway's NIC Unit** — U.S. investor Warren Buffett has negotiated a \$2 billion dollar deal where Berkshire Hathaway Inc.'s National Indemnity Co. unit will acquire U.S. insurer CNA's asbestos and other environmental liabilities. More information can be found on: <http://www.mesothelioma-attorney.com/mesothelioma-headlines/CNA-Sell-Asbestos-Liabilities-to-Berkshire-Hathaways-NIC-Unit/673>

