UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

In re

Chapter 11

ALDRICH PUMP LLC, et al., 1

Case No. 20-30608 (LMJ)

Debtors.

(Jointly Administered)

OBJECTION OF THE OFFICIAL COMMITTEE OF ASBESTOS CLAIMANTS TO <u>DEBTORS' MOTION FOR BANKRUPTCY RULE 2004 EXAMINATION</u>

The Official Committee of Asbestos Personal Injury Claimants ("Committee") of Aldrich Pump LLC, et al. ("Debtors"), through its undersigned counsel, hereby objects ("Objection") to the Debtors' Motion for Bankruptcy Rule 2004 Examination of the Official Committee of Asbestos Personal Injury Claimants [Dkt. No. 2824] ("Motion") and moves to quash the examination requested therein.² In support of the Objection, the Committee respectfully states as follows:

PRELIMINARY STATEMENT

The Motion is the Debtors' latest litigation tactic to harass and prejudice the Committee; the requested discovery has no probative value and seeks information that is unauthorized, privileged, and not to advance any proper purpose. The Debtors' request for governance-related discovery is a "gotcha" to use the statements that the Court made at the August 28, 2025 hearing

The Debtors are the following entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Aldrich Pump LLC (2290) and Murray Boiler LLC (0679). The Debtors' address is 800-E Beaty Street, Davidson, North Carolina 28036.

Some cases have described the appropriate response to a motion for examination under Rule 2004 to be a motion to "quash" that examination. See, e.g., In re Hawley Coal Mining Corp., 47 B.R. 392 (S.D. W. Va. 1984); In re Mittco, Inc., 44 B.R. 35 (Bankr. E.D. Wis. 1984); see also 9 COLLIER ON BANKRUPTCY ¶ 2004.01 (Richard Levin & Henry J. Sommer eds., 16th ed. 2025) (describing procedure to be that a hearing will not generally be held unless a motion to quash is filed in response to the Rule 2004 motion). Out of an abundance of caution, the Committee both objects to the Motion and moves to quash, as appropriate.

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 2 of 13

("Hearing") concerning Committee participation to attack the Committee, its members, and their tort counsel for strategic litigation advantage. This is not a valid use of Rule 2004.

Since its appointment in these chapter 11 cases, the Committee and its advisors have been guided by the fiduciary obligations that the Bankruptcy Code imposes upon them. No discovery is needed to demonstrate a fact all parties knew: prior to the Hearing, the Committee operated through the individual members' representatives. The Committee operated with a good-faith understanding that the standard practices for managing Committee business in similar asbestos and other mass-tort bankruptcies were appropriate here, including that the suitable degree of delegation between the individual committee members and their separate tort counsel is best left to the respective members. *Cf. In re Dow Corning Corp.*, 194 B.R. 121, 136-37 (Bankr. E.D. Mich. 1996) ("[T]raditionally and logically it has been tolerated" for a committee member to "designate a representative to attend in his, her or its stead."), *rev'd on other grounds*, 212 B.R. 258 (E.D. Mich. 1997).³

The Motion is a needlessly backward-looking and unnecessary use of resources and appears to be an effort to bully and intimidate the Committee that dovetails with the Debtors' effort to control the upcoming Committee appointments that are squarely within the purview of the Bankruptcy Administrator, as evidenced by recent correspondence from counsel to the Debtors and the future claimants' representative ("FCR") to the Bankruptcy Administrator.⁴

Thus, not only is the discovery inappropriate (particularly to the extent it seeks privileged information), it is of no probative value and will not advance these chapter 11 cases. The Court should deny the Motion.

The Committee heard, however, the Court's recent instruction that individual Committee members should participate directly in Committee deliberations and decisions and is complying with that direction.

⁴ Letter from Brad Erens and Jonathan Guy to Shelly [sic] Abel, Bankruptcy Administrator (Sep. 24, 2025), attached hereto as **Exhibit A**.

BACKGROUND

- 1. On August 7, 2025, the Committee filed its motion to substitute certain of its members.⁵ On August 28, 2025, this Court held the Hearing on the Substitution Motion, denying the relief requested therein, and made comments from the bench with respect to both Committee governance and participation and for the Bankruptcy Administrator to select new members for the Committee. The Court entered a formal order on September 22, 2025.⁶
- 2. The Debtors and the FCR have attempted to use the Court's decision to "suggest" those firms whose clients allegedly are, or are not, most appropriate to sit on a reconstituted Committee.⁷ In response, the Bankruptcy Administrator advised all parties not to engage in further efforts to attempt to influence her decision.
 - 3. Following that, on October 2, 2025, the Debtors filed the instant Motion.

ARGUMENT

4. The Motion seeks discovery that is an attempt to control and harass the Committee and is a misuse of Rule 2004. The requests are an intrusion into the Committee's private deliberations and operations.

I. THE DEBTORS LACK GOOD CAUSE FOR THE DISCOVERY THEY SEEK

- A. The Debtors Bear the Burden to Establish Good Cause
- 5. An examination pursuant to Rule 2004 "may relate only to: . . . the debtor's acts, conduct, or property; . . . the debtor's liabilities and financial condition; . . . any matter that may affect the administration of the debtor's estate; or . . . the debtor's right to a discharge" and "any other matter relevant to the case or to formulating a plan." Fed. R. Bankr. P. 2004(b). Courts have

Mot. to Substitute Comm. Members, Dkt. No. 2769 ("Substitution Motion").

Order Granting in Part and Den. in Part Mot. to Substitute Comm. Members, Dkt. No. 2814 (the "Order").

⁷ See Exhibit A.

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 4 of 13

long understood the purpose of the rule as allowing the trustee and the debtor's creditors to obtain information regarding the debtor: the debtor's assets, the debtor's conduct, and the debtor's ability to reorganize. *See In re Washington Mut., Inc.*, 408 B.R. 45, 50 (Bankr. D. Del. 2009) ("The purpose of the [Rule 2004] examination is to enable the trustee to discover the nature and extent of the bankruptcy estate."); *In re Enron Corp.*, 281 B.R. 836, 840 (Bankr. S.D.N.Y. 2002) ("As a general proposition, Rule 2004 examinations are appropriate for revealing the nature and extent of the bankruptcy estate, and for discovering assets, examining transactions, and determining whether wrongdoing has occurred." (citation modified)).

- 6. Although "[c]ourt[s] may authorize the examination of third parties that possess knowledge" of these appropriate lines of examination, courts maintain considerable discretion to ensure that Rule 2004 is not used "where the purpose of the examination is to abuse or harass" or where, "once an adversary proceeding or contested matter is commenced, discovery should be pursued under the Federal Rules of Civil Procedure and not by Rule 2004." *Id.* (citations omitted). There are thus "limits to the use of Rule 2004 examinations." *Washington Mut., Inc.*, 408 B.R. at 50.
- 7. "The party seeking to conduct a 2004 examination has the burden of showing good cause for the examination which it seeks." *In re Millennium Lab Holdings II, LLC*, 562 B.R. 614, 627-28 (Bankr. D. Del. 2016); *see also In re Moore Trucking, Inc.*, No. 2:20-BK-20136, 2020 WL 6948987, at *7 (Bankr. S.D. W. Va. July 14, 2020); *In re Eagle-Picher Indus., Inc.*, 169 B.R. 130, 134 (Bankr. S.D. Ohio 1994), *amended*, No. 1-91-10100, 1994 WL 731628 (Bankr. S.D. Ohio Aug. 2, 1994); *In re Orion Healthcorp, Inc.*, 596 B.R. 228, 235 (Bankr. E.D.N.Y. 2019). Good cause is required because Rule 2004 "may not be used as a device to launch into a wholesale investigation of a non-debtor's private . . . affairs." *In re Wilcher*, 56 B.R. 428, 434 (Bankr. N.D.

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 5 of 13

Ill. 1985). "The traditional litmus test for good cause is satisfied if the moving party shows the examination is necessary to establish a claim of the movant, or if denying the examination would cause undue hardship or injustice to the movant." *In re McClain Feed Yard, Inc.*, 661 B.R. 136, 142 (Bankr. N.D. Tex. 2024) (citing *In re Millennium Lab Holdings II, LLC*, 562 B.R. at 627; *In re Express One Int'l*, 217 B.R. 215, 217 (Bankr. E.D. Tex. 1998)). Courts require movants to show a heightened standard of "good cause" as the "potential intrusiveness" of the requested examination increases. *In re Countrywide Home Loans, Inc.*, 384 B.R. 373, 393 (Bankr. W.D. Pa. 2008).

8. The burden thus falls to the Debtors to show "good cause" for the requested discovery and to meet that standard despite both the intrusiveness into Committee affairs and the disproportional nature of the request when compared to the needs of the case. *Cf. In re Kearney*, 590 B.R. 913 (Bankr. D.N.M. 2018) (holding no Rule 2004 discovery under "good cause" standard when compliance would impose high costs on target, the information was not necessary in light of the extensive litigation and discovery that had already occurred, and there were significant confidentiality concerns). Here, the Motion is unrelated to the purposes of Rule 2004; it is at best an attempt to harass the Committee, and at worst an attempt to control the Committee's composition. This should not be permitted.

B. The Debtors Are Promoting an Obviously False Narrative

- 9. The Debtors' discovery, among other things, is premised on the implicit assumption that the current Committee and its members do not agree with the Committee's current positions and prior actions. This is false.
- 10. Through the filing of this Objection, the Committee is making clear that all actions by the Committee that the Debtors seek to investigate were fully in accordance with the Committee's views.

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 6 of 13

11. And indeed, if the Debtors actually believe that the plan that they have filed in these cases and their actions in these cases would meet with the approval of present claimants, they have an easy way to put that to the test: they could put their filed plan to a vote. Their failure to do so speaks volumes. They are well aware that the constituency is unified in its opposition to this inappropriately filed bankruptcy. *See* Hr'g Tr. 175:5-7, July 14, 2023 (Mr. Erens: "So the fact that the plan hasn't been solicited is not bad faith. We're waiting for some judicial determinations so that we can better negotiate with the ACC."); Hr'g Tr. 71:14-17, Dec. 2, 2021 (Mr. Erens: "Ms. Ramsey has suggested that we—I'm not sure she said this exactly, but what I heard was we should be required to solicit the plan. That also makes no sense to us, your Honor. The currents are not going to vote for the plan.").

C. The Committee Has Operated Through Authorized Representatives of the Committee Members in Accordance with Historical Practice

- 12. The Committee's prior practice in allowing Committee members to designate an authorized representative to represent them in the affairs of the Committee was in line with other mass tort bankruptcies. *See, e.g., Dow Corning Corp.*, 194 B.R. at 137 (noting that a member can designate a representative to attend committee meetings in his stead); *see also In re M.H. Corp.*, 30 B.R. 266, 267 (Bankr. S.D. Ohio 1983) (allowing an attorney to serve on a creditors' committee if a creditor wishes that the attorney be its representative and explaining that "[t]he creditors committee is made up of creditors or their representatives").
- 13. A fiduciary's right to delegate is widely recognized. Under North Carolina law, "[a] trustee may delegate duties and powers that a prudent trustee of comparable skills could properly delegate under the circumstances." N.C. Gen. Stat. Ann. § 36C-8-807. Just as a trustee as a fiduciary may delegate certain of its duties and powers to another, business entities and other organizations sitting on committees regularly participate through counsel and/or authorized

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 7 of 13

representatives, not business owners and/or their chief executives. *See, e.g., M.H. Corp.*, 30 B.R. at 267 (allowing attorney to serve on creditors committee as creditor's designee); Notice of Appointment of Committee-Tort Claimants Related to Combat Arms Earplugs at 2, *In re Aearo Techs. LLC*, No. 22-02890-JJG-11(Bankr. S.D. Ind. Aug. 30, 2022), Dkt. No. 393 (designating the general counsel of The Blue Cross Blue Shield Association to serve as committee representative). The Debtors have provided no basis as to why an individual claimant serving on a creditors' committee should be treated differently.

- 14. Moreover, while all committee members in Chapter 11 cases appropriately may use employees, representatives, and counsel to assist them in that capacity, participation of an individual in a mass tort case where a committee is made up of sick and dying individuals and the families of individuals who have died as a result of their disease is also unique in a couple of ways. First, there may be an actual medical need by an individual for such assistance. Second, committee participation is not part of an individual's "day job" in a mass tort case and is therefore uncompensated. The Committee members and their tort counsel are the only uncompensated participants in these cases, investing hundreds of hours of their time because of the importance of these cases.
- 15. The Motion suggests that the Committee's "dismissal or bust' strategy" and its failure to date to negotiate a resolution of these cases is indicative of a committee gone rogue. *See, e.g.*, Motion at 1-2. Setting aside the due authorization of all Committee actions, the Debtors fail to acknowledge that the Committee's course of conduct aligns with the actions of committees in other bankruptcy proceedings, particularly those with corporate "two-step" transactions immediately prior to bankruptcy. Moreover, Judge Whitley recognized that the Committee was

That is the case with respect to, among other things:

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 8 of 13

not required to lie down in the face of the Debtors' relentless litigation strategy. *See, e.g.*, Hr'g Tr. 21:17-19, Jan. 27, 2022 ("[E]ach side's got its own view about the Texas twostep and it may be that . . . we are going to have to litigate those matters").

16. The record of these cases also contradicts the Debtors' manufactured surprise about how the Committee structured its communications, meetings, and strategy. From the appointment

⁽i) the Committee's opposition of the injunctive relief sought by the Debtors early in these cases, see, e.g., Objection of the Official Committee of Asbestos Claimants to the Debtor's Motion for Order (I) Preliminarily Enjoining Certain Actions Against Non-Debtors, or (II) in the Alternative, Declaring that the Automatic Stay Applies to Such Actions and (III) Granting a Temporary Restraining Order Pending a Full Hearing on the Motion, Bestwall LLC v. Those Parties Listed on Appendix A to Complaint, Adv. No. 17-03105 (Bankr. W.D.N.C. Aug. 15, 2018), Dkt. No. 47; Opposition of the Official Committee of Asbestos Personal Injury Claimants to the Debtor's Motion for Preliminary Injunction or, Alternatively, for Declaratory Relief, DBMP LLC v. Those Parties Listed on Appendix A to Complaint, Adv. No. 20-03004 (Bankr. W.D.N.C. Jan. 13, 2021), Dkt. No. 194; Objection of the Official Committee of Unsecured Creditors to Debtors' Emergency Motion for (I) an Order (A) Declaring That the Automatic Stay Prohibits Certain Actions Against Non-Debtors, or, in the Alternative, (B) Preliminarily Enjoining Such Actions Pursuant to 11 U.S.C. § 105, and (II) a Temporary Restraining Order Enjoining Certain Actions Against Non-Debtors, Barretts Mins. Inc. v. Those Parties Listed on Appendix A to Complaint, Adv. No. 23-03225 (Bankr. S.D. Tex. Nov. 6, 2023), Dkt. No. 23; Claimants' Objection to Debtors' Motion for Declaratory and Injunctive Relief, 3M Occupational Safety LLC v. Those Parties Listed on Exhibit A to the Complaint, Adv. No. 22-50059 (Bankr. S.D. Ind. Aug. 11, 2022), Dkt. No. 108; Objection of the Official Committee of Talc Claimants to Debtor's Motion for an Order (I) Declaring that the Automatic Stay Applies or Extends to Certain Actions Against Non-Debtors, (II) Preliminarily Enjoining Such Actions, and (III) Granting a Temporary Restraining Order Ex Parte Pending a Hearing on a Preliminary Injunction, LTL Mgmt. LLC v. Those Parties Listed on Appendix A to Complaint, Adv. No. 23-01092 (Bankr. D.N.J. Apr. 27, 2023), Dkt. No. 39; Objection of the Official Committee of Talc Claimants to Debtor's Motion for an Order (I) Declaring that the Automatic Stay Applies to Certain Actions Against Non-Debtors or (II) Preliminarily Enjoining Such Actions and (III) Granting a Temporary Restraining Order Pending a Final Hearing, LTL Mgmt. LLC v. Those Parties Listed on Appendix A to Complaint, Adv. No. 21-03032 (Bankr. D.N.J. Dec. 22, 2021), Dkt. No. 142;

⁽ii) the Committee's efforts to have these cases dismissed, *see, e.g.*, Motion of the Official Committee of Asbestos Claimants to (I) Dismiss the Debtor's Chapter 11 Case for Cause as a Bad Faith Filing Pursuant to 11 U.S.C. § 1112(b), or Alternatively, (II) Transfer Venue in the Interest of Justice and for the Convenience of the Parties Pursuant to 28 U.S.C. § 1412, *In re Bestwall LLC*, No. 17-31795 (Bankr. W.D.N.C. Aug. 15, 2018), Dkt. No. 495; Motion of the Official Committee of Asbestos Claimants for Leave to Appeal the Order Denying Dismissal, *In re Bestwall LLC*, No. 17-31795 (Bankr. W.D.N.C. Aug. 12, 2019), Dkt. No. 918; Official Committee of Asbestos Claimants' Motion to Dismiss for Lack of Subject Matter Jurisdiction, *In re Bestwall LLC*, No. 17-31795 (Bankr. W.D.N.C. Mar. 30, 2023), Dkt. No. 2925; *In re Red River Talc LLC*, 670 B.R. 251 (Bankr. S.D. Tex. 2025) (dismissing case for cause); *In re Aearo Techs. LLC*, No. 22-02890-JJG-11, 2023 WL 3938436 (Bankr. S.D. Ind. June 9, 2023) (dismissing cases as bad faith filings), *appeal dismissed*, No. 22-2606, 2024 WL 5277357 (7th Cir. July 11, 2024); *In re LTL Mgmt. LLC*, No. 23-2971, 2024 WL 3540467, at *1 (3d Cir. July 25, 2024) (affirming dismissal); *In re LTL Mgmt. LLC*, 64 F.4th 84 (3d Cir. 2023) (same); and

⁽iii) the Committee's opposition to the Debtors' request for estimation, *see* Objection of the Official Committee of Asbestos Claimants to Motion of the Debtor for Estimation of Current and Future Mesothelioma Claims, *In re Bestwall LLC*, No. 17-31795 (Bankr. W.D.N.C. Aug. 16, 2019), Dkt. No. 937 and Objection of the Official Committee of Asbestos Personal Injury Claimants to Motion of the Debtor for Estimation of Current and Future Mesothelioma Claims, *In re DBMP LLC*, No. 20-30080 (Bankr. W.D.N.C. Sep. 13, 2021), Dkt. No. 1042.

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 9 of 13

of the Committee, the parties and the Court understood that the individual committee members' tort counsel assisted their clients with discharging each committee member's duties, including attending the Committee meetings. In appointing the Committee, Judge Whitley noted that "[t]he Bankruptcy Administrator list looks like it, it has dispersed between various firms and would appear to be fair and equitable." Hr'g Tr. 19:18-20, July 6, 2020.

- 17. Additionally, the FCR's counsel stated in open court that the Committee had been "very clear that they want to exit to the tort system. That's the goal of the individual plaintiffs and the individual law firms that represent them on the Committee." Hr'g Tr. 51:18-52:2, Mar. 25, 2021. The FCR's counsel sometimes referred interchangeably between the individual committee members and their law firms. Hr'g Tr. 76:25-77:6, Jan. 28, 2021 ("I understand why the individual firms that sit on the Committee want to go back to the tort system").
- 18. Indeed, from the beginning of these cases, the Debtors demonstrated the expectation that tort counsel would play a central role in the Committee. For example, in lieu of a consolidated list of their top creditors, the Debtors filed with their petitions a list of 20 law firms with significant representations amongst claimants. *See* Mot. of Debtors Authorizing (A) Consolidated Master List of Creditors and (B) Consolidated List of 20 Law Firms with Significant Asbestos Cases Against Debtors, at 5, Dkt. No. 7. In that same motion, the Debtors also requested authority to serve "all notices, mailings, filed documents, and other communications" in these cases on counsel to asbestos claimants appearing on such claimants' behalf in state law proceedings, arguing that "providing notice to a claimant's attorney of record in matters relating to bankruptcy claims, even where the attorney does not represent the claimant in connection with the bankruptcy case, has been held to be the equivalent of giving notice to

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 10 of 13

creditors directly." *Id.* at 7.9 The Debtors and the FCR have engaged with various tort counsel throughout these cases.

D. Far from Good Cause, the Debtors' Motion Is Simple Harassment

- 19. The Debtors have not identified a single published case where a debtor has successfully obtained materials belonging to a creditors' committee under Rule 2004, much less discovery as intrusive as that sought here. Given Rule 2004's limited purpose, this is not surprising. *See, e.g., Washington Mut., Inc.*, 408 B.R. at 50 (finding the purpose of Rule 2004 to be the discovery of the "nature and extent of the bankruptcy estate").
- 20. Rather than respect this purpose, the Debtors pose a series of interrogatories and requests for production that seek the Committee's privileged and confidential information. *See* Motion Ex. 1, at 7-9 ("Interrogatories"), Ex. 2, at 3 ("RFPs"). In doing so, the Motion aims to harass the Committee and improperly "look behind the curtain" to gain information about the Committee's private deliberations. Courts routinely deny Rule 2004 examinations where the purpose is "to abuse and harass the target of the inquiries," or where discovery "would impermissibly invade attorney-client privilege." *In re 3 Kings Constr. Residential LLC*, No. 22-10965-PMB, 2024 WL 2264338, at *2 (Bankr. N.D. Ga. May 17, 2024); *In re Yahweh Ctr., Inc.*, No. 16-04306-5-JNC, 2017 WL 327473, at *1-2 (Bankr. E.D.N.C. Jan. 23, 2017) (same); *Oppenheimer Fund, Inc. v. Sanders*, 437 U.S. 340, 352 n.17 (1978) ("[D]iscovery should be denied when a party's aim is to delay bringing a case to trial, or embarrass or harass the person from whom he seeks discovery."); *In re Blackjewel, L.L.C.*, No. 3:19-BK-30289, 2020 WL 6948815, at *6 (Bankr. S.D.W. Va. July 14, 2020) ("Use of Rule 2004 examinations may not . . . be used for

The Debtors sought similar relief in connection with the approval of the claims process and personal injury questionnaires in these chapter 11 cases. *See* Joint Mot. of Debtors and FCR Establishing Bar Date, at 11-12, Dkt. No. 471 (seeking authority to serve notice on counsel to "all known claimants who have asserted asbestos-related personal injury claims against the Debtors").

purposes of abuse or harassment, or for discovery of matters not relevant to the basic inquiry."); *Amick v. Ohio Power Co.*, No. 2:13-cv-06593, 2014 WL 468891, *2 (S.D. W.Va. Feb. 5. 2014) ("Discovery that seeks relevant information may nevertheless be restricted or prohibited if necessary to protect a person or party from annoyance, embarrassment, oppression, or undue burden or expense.").

- 21. While the Motion superficially denies any effort to obtain "materials covered by privilege or that relate to the [Committee]'s strategy in these chapter 11 cases," it then requests "meeting minutes," "guidelines," and any other related documents around how and when attorneys have represented their clients in committee discussions for virtually every major strategic decision in these proceedings. *Compare* Motion at 3 *with* Interrogatories & RFPs; *see also* Motion Ex. 1, ¶ 9, Ex. 2 ¶ 3. And regardless of whether the Debtors purport to seek privileged or confidential strategic information, the efforts to separate such information from the Committee's responses would be certain to create yet further litigation before this Court. *Cf. Yahweh Ctr., Inc.*, 2017 WL 327473, at *4-5 (recognizing the impending wave of fights over whether documents requested pursuant to Rule 2004 are privileged).
- 22. This is undoubtedly not lost on the Debtors, and is a further reason for this Court to deny the Motion.

II. THE MOTION IMPROPERLY USURPS THE ROLE OF THE BANKRUPTCY ADMINISTRATOR

23. Supervision of trustees and other court appointed fiduciaries are the official responsibilities of the office of the Bankruptcy Administrator. ¹⁰ See In re Ford, No. 24-31129, 2025 WL 2778745, at *5 (Bankr. W.D.N.C. Sep. 29, 2025) (Edwards, J.) ("Although the

¹⁰ See Responsibility of Bankruptcy Administrator, U.S. Bankr. Admin. W.D.N.C., https://www.ncwba.uscourts.gov/responsibility-ba-0 and statutory cites therein.

Case 20-30608 Doc 2840 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Main Document Page 12 of 13

Bankruptcy Administrator's duties are not delineated within the Bankruptcy Code as such, they are generally coterminous with those imposed on its equivalent outside of North Carolina and Alabama, the U.S. Trustee."). This Court also recognized this in entering the Order on September 22, 2025.

24. The Debtors' recent efforts, both in the present Motion and in attempting to exercise decision-making authority over potential upcoming Committee appointments, seek to invade that role and assign to the Debtors the responsibility of supervising their litigation adversaries. The Court should reject this latest effort by the Debtors and deny the Motion.

CONCLUSION

The Motion seeks discovery that is backward-looking, and contrary to this Court's expressed views that these cases proceed. *See* Hr'g Tr. 50:5-9, Aug. 28, 2025 ("[T]his should not hold anything up because we have the Committee that has been functioning for two years with its members, three members. And so I don't want to hear any thoughts that this has to . . . essentially, stall everything out.").

WHEREFORE, for the reasons set forth herein, the Committee requests that the Court deny the Motion and quash the Debtors' requested examination.

Respectfully submitted,

HAMILTON STEPHENS STEELE + MARTIN, PLLC

<u>/s/ Glenn C. Thompson</u>

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Case 20-30608 Doc 2840-1 Filed 10/16/25 Entered 10/16/25 16:51:36 Desc Exhibit A Page 1 of 4

EXHIBIT A

Case 20-30608 Doc 2840-1 Filed 10/16/25 Entered 10/16/25 16:51:36 Des Exhibit A Page 2 of 4





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September 24, 2025

VIA EMAIL

Ms. Shelly K. Abel Bankruptcy Administrator Bankruptcy Court, Western District of North Carolina 401 W. Trade Street, Suite 2400 Charlotte, NC 28202

Re: Aldrich/Murray ACC

Dear Shelly:

Now that the order setting the process for adding members to the Aldrich and Murray official asbestos claimants committee ("<u>ACC</u>") has been entered, the Debtors and the Future Claimants' Representative ("<u>FCR</u>") recognize that you will begin your efforts to fulfill the directives given by Judge James to you on this issue in your role as Bankruptcy Administrator.

As the FCR has indicated in several pleadings filed in these cases, and with which the Debtors agree, the governance process for the ACC to date has been plagued with several problems. To us, these failures in the process are unacceptable, and, given that those failures have occurred, we would like to take this opportunity to collectively to give you our thoughts on the process going forward.

<u>First</u>, to us it appears that the ACC has not been acting through its actual members. As a result, we would oppose the appointment of any member who does not clearly indicate in writing a willingness and ability to be actively engaged in the committee participation and decision-making.

Second, whether or not it is truly proper, we assume that the tort system lawyers for the actual members will continue to take an active role in the ACC. In this regard, we also would oppose the appointment of any member whose tort system lawyer either (1) has an actual or potential conflict of interest as to the class of current claimants or (2) does not clearly indicate that he or she inherits the same fiduciary obligations to the class as the member of the ACC that such lawyer represents. Since we understand that these client representations are by the firm, not

Case 20-30608 Doc 2840-1 Filed 10/16/25 Entered 10/16/25 16:51:36 De Exhibit A Page 3 of 4





by an individual lawyer, we believe that both the firm and the designated lawyer of such firm should affirmatively represent in writing that they understand they are taking on such fiduciary responsibilities.

Third, given the history of this particular case, we think it would be inappropriate, and we would oppose, any member of the Committee represented by either the Shepherd firm or the Maune Raichle firm. As to the Shepherd firm, as has been cited in various pleadings in these cases, the former co-chair of the ACC represented by that firm testified that he had allowed the Committee to "use his name," but his testimony reflected that he was otherwise completely uninformed about Committee affairs. Hence, for purposes of this case a re-appointment of a member represented by the Shepherd firm would seem to fail to recognize the failures in these cases to this point. As to the Maune firm, it has been sanctioned in the Bestwall case, Judge Whitley indicated in one of his last rulings in these cases that it was close to being sanctioned by him for vexatious litigation, and Judge James indicated at the last hearing that she was no longer willing to tolerate its approach to these cases. As a result, we do not believe that the Maune firm merits consideration of one of its clients for the ACC.

<u>Finally</u>, as to who <u>should be</u> appointed to the ACC, we make the observation that three firms — Weitz & Luxenberg, Cooney & Conway, and Simmons Hanly — have a significantly disproportionate share of the current claimants in these cases. This is based on the proofs of claim filed in the cases (all of which are mesothelioma claims) as well as the mesothelioma claims pending in the tort system as of the Debtors' petition date. Neither of these metrics are perfect, but unless and until we get to claim objections, these are the best metrics available. To be fair, however, standing alone neither analysis gives fully correct percentages for the following reasons:

- 1) As to proofs of claim, the POCs filed by the Weitz and Cooney firms defy logic. Weitz filed almost 50% of the POCs in these cases and was able to achieve such a high percentage by including many claims going back decades. Almost certainly, a large percentage of these claims are either time barred or were abandoned pursuant to the terms of settlement agreements between the parties. As to the Cooney firm, whereas most firms filed proofs of claim for about the same percentage of their pending claimants that had historically received a settlement payment in the tort system, the Cooney firm filed proofs of claim for essentially 100% of its pending claimants against the Debtors. While these may be facially "valid" proofs of claim pending objection in these cases or by an asbestos trust, they clearly inflate the relative proportion of claimants the Cooney and Weitz firms represent.
- 2) As to pending mesothelioma claims as of the petition date, which is the information that was used to form the ACC in the first place, the Weitz firm did not have pending claims against the Debtors since group settlement arrangements in place with the Debtors prior to the bankruptcy filing provided that Weitz did not sue the Debtors in the tort system. As a result, the claims database reflects lower than actual Weitz





pending claims, while, in the view of the Debtors, the POC's reflect higher than actual.

Based on our analysis of both the proofs of claim and pending mesothelioma claims as of the petition date, the Debtors estimate that the Weitz, Cooney, and Simmons firms represent approximately 60% of the mesothelioma claims against the Debtors, and almost certainly more than 50%.

Given this majority, it is our view that these three firms should represent the majority of the members on the ACC. To that affect, we suggest that the BA appoint a member represented by the Cooney firm and a member represented by the Simmons firm and no additional members, leaving the ACC with a five-person committee consisting of members represented by these two firms, plus the existing ACC members represented by the Kazan firm, the Schmickle firm, and the Weitz firm.

Of course, the ultimate decision on these issues is for your office to make, subject to motions for a change in composition of the ACC to ensure adequate representation.

Sincerely,

Brad and Jonathan

cc: Natalie Ramsey, Esq. (via email)
Kevin MacClay, Esq. (via email)
C. Richard Rayburn, Esq.
Jack Miller, Esq.
C. Michael Evert, Jr., Esq.
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