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**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

**In re:**  
  
**HOPEMAN BROTHERS, INC.,**  
  
**Debtor.**

**Chapter 11**  
  
**Case No. 24-32428 (KLP)**  
  
Re: Dkt. Nos. 766, 767, 782, 853

**LIBERTY MUTUAL INSURANCE COMPANY'S  
OBJECTION TO THE AMENDED PLAN OF REORGANIZATION OF  
HOPEMAN BROTHERS, INC. UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**



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Liberty Mutual Insurance Company (“Liberty”) hereby files this objection (this “Objection”) to the *Amended Plan of Reorganization of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code* [Dkt. No. 766] (the “Plan”) filed by the above-captioned debtor (“Hopeman” or the “Debtor”).<sup>1</sup> In support of this Objection, Liberty respectfully states as follows:

### **JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Court may enter a final order consistent with Article III of the United States Constitution.

2. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **PRELIMINARY STATEMENT**

3. Approximately one year ago, Hopeman sought bankruptcy relief to achieve two principal objectives: (1) establish a mechanism for resolving Asbestos Claims, including through the consummation of two settlements with its insurers, and (2) provide for an orderly liquidation and dissolution of Hopeman.<sup>2</sup> Those plans changed once Hopeman ceded control of its chapter 11 case to the Committee. At the Committee’s behest, Hopeman pivoted to a new strategy when it filed a Plan seeking a discharge under section 524(g) of the Bankruptcy Code. Hopeman is not entitled to receive a discharge under section 524(g) of the Bankruptcy Code. For this reason alone, the Plan cannot be confirmed. In addition to the Debtor’s failure to satisfy the strict requirements

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<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan. Capitalized terms used in the Preliminary Statement shall have the meanings ascribed to such terms elsewhere in this Objection.

<sup>2</sup> *Declaration of Christopher Lascell in Support of Chapter 11 Petition and First Day Pleadings of Hopeman Brothers, Inc.* [Dkt. No. 8] (“First Day Declaration”) at ¶ 7.

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of section 524(g), the Plan fails to comply with section 1129 in at least three distinct ways, each of which renders the Plan unconfirmable.<sup>3</sup>

4. First, the Plan cannot be confirmed because it purports to transfer property that is not property of Hopeman's estate in contravention of section 541(a)(1) of the Bankruptcy Code. Specifically, the Insurance Assignment in the Plan seeks to assign Hopeman's rights related to the Liberty Policies to the Asbestos Trust. [REDACTED]

[REDACTED] The Bankruptcy Code does not permit Hopeman to transfer its rights related to the Liberty Policies to the Asbestos Trust or to any other party because those rights are not property of Hopeman's estate. Hopeman cannot assign what it does not own.

5. Second, because the Plan (i) is intended to check the boxes of section 524(g) without truly complying with the letter and spirit of that section of the Bankruptcy Code,<sup>4</sup> (ii) impermissibly purports to transfer property that is not property of Hopeman's estate, (iii) proposes a post-confirmation governance structure of "Reorganized" Hopeman and the Asbestos Trust that is rife with irreconcilable conflicts of interest, and (iv) improperly names Liberty as a Non-Settling Asbestos Insurer in order to buy the acceptance of certain Asbestos Claimants — [REDACTED]

[REDACTED] — the Plan was not developed or proposed in good faith, as required by section 1129(a)(3) of the Bankruptcy Code.

<sup>3</sup> See *In re Quigley Co.*, 437 B.R. 102, 124 (Bankr. S.D.N.Y. 2010) ("A debtor seeking to confirm a plan under 11 U.S.C. § 524(g) must satisfy the requirements of both § 524(g) and § 1129 of the Bankruptcy Code. . . . The proponent of confirmation bears the burden of proof by a preponderance of the evidence").

<sup>4</sup> Mr. Lascell, the president of Hopeman, testified that counsel to the Committee "came up with" the proposed passive investment described in the Plan and the Plan Supplement in an attempt to satisfy the ongoing business requirement of section 524(g), notwithstanding the fact that Hopeman has no ongoing business. July 1, 2025 Dep. of Christopher Lascell at 59:10-15, 76:3-13 (cited pages of the Lascell Dep. are attached hereto as Exhibit A).

6. Third, the proposed governance structure of the Asbestos Trust and the TAC creates inherent conflicts of interest that prevent the individuals appointed to serve in these roles from fulfilling their fiduciary duties to the body of Asbestos Claimants. The proposed appointment of these individuals is not consistent with public policy and thus violates section 1123(a)(7) and 1129(a)(5) of the Bankruptcy Code.

7. Therefore, for the reasons set forth herein, Liberty respectfully requests that this Court deny confirmation of the Plan.

### **FACTUAL BACKGROUND**

8. On June 30, 2024 (the “Petition Date”), Hopeman Brothers, Inc. (“Hopeman” or the “Debtor”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtor is a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. However, the Debtor is, at best, a zombie entity, as it has not operated its business for a period of more than 30 years. It has no business to reorganize.

#### **I. The 2003 Agreements.**

9. Decades before this chapter 11 filing, Liberty issued certain prepetition primary layer and excess insurance policies (collectively, the “Liberty Policies”) under which Hopeman and/or certain Hopeman affiliates, predecessors and successors are named insureds or seek coverage, including under certain policies issued to Wayne Manufacturing Corporation (a wholly owned subsidiary of Hopeman that dissolved in 1985) (“Wayne”).

10. On March 21, 2003, Hopeman<sup>5</sup> and Liberty entered into the Settlement Agreement and Release Between Hopeman Brothers, Inc. and Liberty Mutual Insurance Company (the “Settlement Agreement”) and the Indemnification and Hold Harmless Agreement Between

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<sup>5</sup> [REDACTED]

Hopeman Brothers, Inc. and Liberty Mutual Insurance Company (the “Indemnification Agreement”, together with the Settlement Agreement, the “2003 Agreements”).<sup>6</sup>

11. [REDACTED]

## II. The Plan and Disclosure Statement.

12. Following a hearing on an earlier version of the Plan, on May 21, 2025, the Debtor filed the Plan and the *Disclosure Statement With Respect to the Amended Plan of Reorganization of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code* [Dkt. No. 767] (the “Disclosure Statement”). On the same day, this Court entered an order conditionally approving the Disclosure Statement over Liberty’s objection [Dkt. No. 782].

13. The Plan proposes to (i) channel Asbestos Claims to an Asbestos Trust created pursuant to section 524(g) of the Bankruptcy Code, (ii) fund the Asbestos Trust primarily with proceeds of insurance settlements, (iii) make distributions from the Asbestos Trust to Asbestos Claimants whose Asbestos Claims are not covered by insurance, and (iv) resolve Asbestos Claims allegedly covered by insurance through the tort system by allowing the Trustee and the Asbestos Claimants to prosecute lawsuits against Reorganized Hopeman, Wayne, and the Non-Settling Asbestos Insurers to monetize Hopeman’s insurance coverage.<sup>9</sup> Additionally, in order to attempt

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<sup>6</sup> The 2003 Agreements have been filed under seal as Exhibits 1-2 to the *Reply of Hopeman Brothers, Inc. in Support of Objection to Claim No. 10 of Liberty Mutual Insurance Company* [Dkt. No. 877].

<sup>7</sup> See Indemnification Agreement at § III.B.5 (the “Defense Obligation”).

<sup>8</sup> *Id.* at § III.C; see also Settlement Agreement at § XVI.D. This Court ruled from the bench on June 18, 2025 that Liberty has no claims arising from Hopeman’s ongoing and continuous breach of its obligations under the 2003 Agreements. On June 23, 2025, this Court entered the *Order Disallowing and Expunging Claim of Liberty Mutual Insurance Company* [Dkt. No. 907]. Liberty has appealed this order, which appeal is currently pending before the U.S. District Court for the Eastern District of Virginia. See *Liberty Mutual Ins. Co. v. Hopeman Brothers, Inc.*, No. 3:25-cv-00486-RCY (E.D. Va. Jun. 26, 2025).

<sup>9</sup> See Plan at §§ 8.12, 8.13, 8.16, 10.3.

to comply with the requirements of section 524(g) of the Bankruptcy Code, “Reorganized” Hopeman has indicated that it intends to enter into — but has not yet entered into — a post-confirmation “Restructuring Transaction,” which will consist of (i) a \$350,000 investment to gain a 1.7 % ownership interest in an apartment complex in Houston, and (ii) a \$150,000 investment in “high quality fixed income securities.”<sup>10</sup>

### **RELIEF REQUESTED**

14. Liberty respectfully requests that this Court (i) deny confirmation of the Plan, (ii) dismiss the Debtor’s case, require the Debtor to submit a liquidating Plan that is not predicated upon section 524(g) of the Bankruptcy Code, or convert this case to a case under Chapter 7 of the Bankruptcy Code, and (iii) grant any other relief that this Court deems to be just and proper.

### **BASIS FOR RELIEF REQUESTED**

#### **I. Liberty Has Standing to Object to the Plan.**

15. If the Debtor or any other party in interest asserts that Liberty lacks standing to object to the Plan, that argument should be rejected. Section 1109(b) of the Bankruptcy Code provides that under chapter 11 a “party in interest . . . may raise and may appear and be heard on any issue in a case.”<sup>11</sup> Liberty has standing to object to the Plan as a party in interest.

16. The Plan’s main objective is to encourage and facilitate lawsuits by the Trustees and Asbestos Claimants against Non-Settling Asbestos Insurers in an attempt to monetize the Debtor’s rights under the Asbestos Insurance Policies.<sup>12</sup> In fact, due to pressure from the Asbestos

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<sup>10</sup> See Notice of Filing of Plan Supplement Related to Amended Plan of Reorganization of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code [Dkt. No. 853] (the “Plan Supplement”) at Exhibit I-1.

<sup>11</sup> 11 U.S.C. § 1109(b).

<sup>12</sup> See generally Disclosure Statement at 10. Liberty understands from documents provided in discovery that Liberty was included as a Non-Settling Asbestos Insurer under the Plan because the law firms representing certain Asbestos Claimants “insist[ed] on language in the Plan and related agreements” ensuring that Liberty was not included as a Protected Party in the Plan. See E-mail from Mark Mintz, Partner at Jones Walker LLP, to Henry Long, III, Counsel at Hunton Andrews Kurth LLP, *et al.* (Oct. 11, 2024 at 10:41 a.m.) (attached hereto as **Exhibit**

Claimants, Liberty is the *only* Asbestos Insurer called out by name as a Non-Settling Asbestos Insurer, removing all doubt that Liberty is the intended target of the Plan.<sup>13</sup> Hopeman’s counsel has stated that Hopeman’s singling out of Liberty by the Plan and other pleadings was “innocuous.”<sup>14</sup> It is far from it. Besides being in direct contravention of Hopeman’s contractual obligation to [REDACTED]

[REDACTED] [REDACTED]<sup>5</sup> (thereby impairing Liberty’s contractual rights), the Plan has a real, tangible effect on Liberty’s economic interests by forcing it to defend against illegitimate claims (while simultaneously eliminating the Asbestos Trust’s incentive to cooperate in any defense).<sup>16</sup>

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**B).** These law firms were focused exclusively on Liberty, not any other Asbestos Insurers. This fact alone indicates that the law firms representing Asbestos Claimants – which now comprise the TAC that will advise the Trust – intend to use the provisions of the Plan and the findings and conclusions in the Confirmation Order as a weapon to target Liberty in post-confirmation lawsuits.

<sup>13</sup> See Plan at § 1.80; E-mail from Mark Mintz, Partner at Jones Walker LLP, to Henry Long, III, Counsel at Hunton Andrews Kurth LLP, *et al.* (March 8, 2025 at 5:11 p.m.) (attached hereto as **Exhibit C**) (stating that “my clients do not believe that [Liberty] should be a protected party under the trust and that we will insist on language in the Plan and related agreements ensuring that is not the case”); E-Mail from Joseph Rovira, Partner at Hunton Andrews Kurth LLP, to Patricia Santelle, Chair Emeritus at White and Williams LLP (Oct. 24, 2024 at 4:09 p.m.) (attached hereto as **Exhibit D**) (stating that “[W]hile we agree [language targeting Liberty is] unnecessary, it’s also innocuous and if adding gets one group of plaintiffs on board, it’s well worth it”).

<sup>14</sup> **Exhibit D.**

<sup>15</sup> 2003 Indemnification Agreement at § III.C.

<sup>16</sup> The Third Circuit refused to confirm the proposed plan of another debtor facing asbestos liability whose plan contained similar conflicts:

Skinner is a defunct business without so much as a single employee remaining. It has no assets to distribute to creditors or attorneys, and Skinner admits that the only way that creditors and attorneys can possibly be paid is if asbestos litigants win settlements against it (and pay the Surcharge). Although settlements will be controlled by a Plan Trustee with no financial interest in the outcome of the proceedings, it is not as if Skinner can entirely remove itself from the process. Rather, these settlements will likely require Skinner’s involvement in both defense and discovery because the question of asbestos claimants’ exposure to Skinner products is still at issue. Thus, the Fifth Plan creates an inherent conflict of interest: Skinner is required to cooperate in its defense, but will be incentivized to do otherwise. . . . we are troubled by the fact that the [plan] creates this inherent conflict, while at the same time severely limiting or eliminating Insurers’ ability to take discovery, submit evidence, contest causation, or appeal a decision.

*In re Am. Cap. Equip., LLC*, 688 F.3d 145, 158-59 (3d. Cir. 2012); see also *In re Steward*, No. 22-B-14986, 2025 Bankr. LEXIS 477, at \*12-13 (Bankr. N.D. Ill. Feb. 28, 2025) (“To hold that [insurer] does not have standing under these circumstances would create an absurd paradox, where insurers shouldering the entire cost and burden of a defense are at the mercy of insureds

Representatives of Hopeman have admitted that they have never attempted to cooperate with the [REDACTED] during the bankruptcy or otherwise.<sup>17</sup> In order to remedy this defect and comply with its contractual obligations, Hopeman must designate Liberty as a Settled Asbestos Insurer.<sup>18</sup>

17. The Plan expressly allows a Channeled Asbestos Claimant to prosecute an action against Reorganized Hopeman “to obtain the benefit of Asbestos Insurance Coverage,” without regard to whether such a claimant has that right under applicable nonbankruptcy law.<sup>19</sup> Similarly, a Channeled Asbestos Claimant who has obtained a judgment against Reorganized Hopeman or Wayne is expressly authorized to bring a direct action against Non-Settling Insurers (including Liberty), again regardless of whether they have any such right under applicable nonbankruptcy law.<sup>20</sup> These provisions of the Plan are intended to bestow upon Asbestos Claimants every possible advantage in post-confirmation coverage litigation, including by creating claims against Liberty that would not exist absent the Plan’s interference. Asbestos Claimants should not be

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whose incentives to cooperate with the defense are drastically reduced by the reality of discharge. So I reject Walker’s lack-of-standing argument”).

<sup>17</sup> Mr. Lascell admitted that he has never personally taken any action to minimize claims against Liberty, nor can he think of any actions that Hopeman has taken during the bankruptcy proceedings to minimize claims against Liberty (aside from the motion extending the automatic stay to Liberty). *See* Lascell Dep. at 28:16-21, 30:7-31:1. During a recent management meeting with the co-owners of Hopeman, Mr. Lascell advised that claimants (particularly the Louisiana claimants) “wanted to be sure to include Liberty as a non-settling insurer” in the Plan – but Mr. Lascell failed to explain to Hopeman’s co-owners that the Company owes an obligation to take actions to minimize suits against Liberty. *See id.* at 70:1-11, 73:15-74:3. Prior to the commencement of the bankruptcy proceedings, Mr. Lascell had never read the Indemnification Agreement and, even after he reviewed the Indemnification Agreement, he was not specifically aware of the [REDACTED]. *See id.* at 23:19-24:22, 27:5-7. It is crystal clear that the Plan was formulated, negotiated, and proposed with complete disregard for Hopeman’s obligations under the 2003 Agreements.

<sup>18</sup> *See* Plan at § 1.104. Liberty understands that, in order to designate Liberty as a Settled Asbestos Insurer, Hopeman would need to adjust the definition of Asbestos Insurance Settlement to include prepetition settlements. Liberty submits that this change is reasonable and appropriate.

<sup>19</sup> *See* Plan at § 8.12(a). Under Section 8.12(a), a Channeled Asbestos Claimant can only pursue a Non-Settling Insurer of Wayne if “permitted by applicable nonbankruptcy law.” However, there is no such limitation with regard to claims seeking Reorganized Hopeman’s Asbestos Insurance Coverage.

<sup>20</sup> *See id.* at § 8.13(c).

permitted to use the Plan to tilt the litigation playing field outside of the bankruptcy, as it is axiomatic that bankruptcy courts cannot create rights that do not exist under applicable state law.<sup>21</sup>

18. To provide yet another example, the Administrative Trustee can give an Uninsured Asbestos Claimant permission to pursue an Extracontractual Claim.<sup>22</sup> However, under the 2003 Agreements, [REDACTED].<sup>23</sup>

The Plan does not require the Administrative Trustee to first confirm that an Extracontractual Claim exists and is valid before the Administrative Trustee agrees to permit an Uninsured Asbestos Claimant to pursue such claims. The Plan therefore creates a system that will require Liberty to defend against Extracontractual Claims notwithstanding the fact that such Extracontractual Claims are not legally cognizable.<sup>24</sup>

19. Hopeman asks this Court to accept that the Supreme Court’s seminal decision in *Truck Insurance Exchange v. Kaiser Gypsum Company* does not apply to Liberty because Liberty is not an “insurer with financial responsibility for a bankruptcy claim”.<sup>25</sup> Certainly, *Truck* held that such financial responsibility for claims against the debtor’s estate is sufficient to confer standing upon an insurer.<sup>26</sup> However, to allege that *Truck* stands for the proposition that financial responsibility is the *only* way that an insurer has standing to object to a plan misinterprets the Supreme Court’s holding. In fact, the Supreme Court explained that the context and history of section 1109(b) mandates an “expansive definition” of the phrase “party in interest” in order to

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<sup>21</sup> See, e.g., *Mission Prod. Holdings v. Tempnology, LLC*, 587 U.S. 370, 381 (2019).

<sup>22</sup> See Plan at § 8.13(e).

<sup>23</sup> See 2003 Settlement Agreement at §§ I.B; VII.A.

<sup>24</sup> See *Truck Ins. Exch. v. Kaiser Gypsum Co.*, 602 U.S. 268, 281 (2024) (“A plan can . . . impair the insurer’s financial interests by inviting fraudulent claims”).

<sup>25</sup> *Id.* at 272.

<sup>26</sup> See *id.*

facilitate “broad participation” in furtherance of a “fair and equitable reorganization process”.<sup>27</sup> And, “undue restrictions on who may be a party in interest might enable dominant interests to control the restructuring process”.<sup>28</sup>

20. As evidenced by the aforementioned examples (as well as the multiple other ways that the Plan prejudices Liberty’s rights), it could not be clearer that Liberty is “potentially concerned with or affected by” the Plan and is therefore a party in interest.<sup>29</sup> Hopeman asks this Court to bar Liberty from participating in these proceedings for the *exact reason* that the Supreme Court warned about — to “enable dominant interests” (here, the Asbestos Claimants) to “control the restructuring process”.<sup>30</sup> The Asbestos Claimants drafted the Trust Documents and the section 524(g) term sheet that became the Plan.<sup>31</sup> They, of course, have “little incentive to propose barriers to their ability to recover” from Hopeman or Liberty; thus, they seek to silence Liberty in order to prevent Liberty from highlighting the legal and factual infirmities in their carefully-planned strategy.<sup>32</sup> As was the case in *Truck*, Liberty and similarly situated Non-Settling Asbestos Insurers are the only parties incentivized to “identify problems with the Plan.”<sup>33</sup>

21. To promote the Bankruptcy Code’s goal of allowing parties to identify problems with plans, the Supreme Court noted that bankruptcy proceedings can “affect an insurer’s interests in myriad ways,” including, but not limited to, being “collusive, in violation of the debtor’s duty

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<sup>27</sup> *Id.* at 277, 280.

<sup>28</sup> *Id.* at 280 (internal citations omitted).

<sup>29</sup> *Id.* at 278.

<sup>30</sup> *Id.* at 280.

<sup>31</sup> Upon information and belief, based upon documents received in the discovery process, the Committee drafted the Term Sheet, as the Committee’s counsel sent the draft term sheet to the Debtor’s counsel, who commented on the Term Sheet. *See* Nov. 25, 2024 Draft of Settlement Term Sheet for §524(g) Plan of Hopeman Brothers, Inc. (attached as **Exhibit E** hereto).

<sup>32</sup> *Truck*, 602 U.S. at 282.

<sup>33</sup> *Id.*



to cooperate and assist,” or “impair[ing] the insurer’s financial interests by inviting fraudulent claims”.<sup>34</sup> The harms that Liberty alleges in this Objection were *named by the Supreme Court* as examples of impairment of contractual rights that would confer standing on an insurer. Even if they had not been, the Supreme Court stated that insurers can be “directly and adversely affected by the reorganization proceedings in these and many other ways”.<sup>35</sup> To argue that Liberty does not have standing as a party in interest notwithstanding the Plan’s purposeful targeting of Liberty and impairment of Liberty’s contractual rights flies in the face of *Truck* and the cases interpreting it that have held that insurers have standing to object to various aspects of chapter 11 and chapter 7 proceedings alike.<sup>36</sup>

22. To the extent that Hopeman or the Committee argues that Liberty lacks “Article III” or “prudential” standing to raise the objections detailed herein, that argument is unavailing. Courts have held that the concepts of Article III and prudential standing are no longer applicable

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<sup>34</sup> *Id.* at 281.

<sup>35</sup> *Id.*

<sup>36</sup> *See, e.g., In re Steward*, 2025 Bankr. LEXIS 477, at \*12-13 (insurer had standing to seek stay relief in a chapter 7 case); *In re AIO US, Inc.*, No. 24-11836, 2025 Bankr. LEXIS 1369, at \*27 (Bankr. D. Del. Jun. 6, 2025) (insurer had standing to object to the proposed plan confirmation schedule and temporary allowance of talc claims for voting purposes in chapter 11 case). Moreover, courts recognized that a “tangible disadvantage” to an affected party, including an insurer, could lead to standing even before *Truck* was decided:

Here, the plan’s creation of the APG Silica Trust led to a manifold increase in silica-related claims. That constitutes a tangible disadvantage to Hartford and Century, which, despite having their coverage defenses available, will be faced with coverage obligations to the APG Silica Trust in a world that recognizes the existence of over 4,600 silica-related claims, as opposed to a pre-Plan world that recognized only 169. Indeed, the Plan-triggered explosion of new claims creates an entirely new set of administrative costs, including the investigative burden of finding any meritorious suits in the haystack of potentially fraudulent ones. Those costs will be enormous, even if Hartford and Century never pay a single dollar of indemnity. Accordingly, even if Hartford’s and Century’s ultimate liability is contingent, the harm to Hartford and Century from the Plan is hardly too speculative for them to be parties in interest.

*In re Global Indus. Techs.*, 645 F.3d 201, 213-214 (3d. Cir. 2011).

in the bankruptcy context in light of *Truck* and other recent Supreme Court decisions.<sup>37</sup> Even if these standards were applicable — which they are not — Liberty would easily meet them, because the issues that it raises in this Objection bear directly on Liberty’s individual economic interest in this case, as described above.

23. Finally, the so-called “insurance neutrality” language in the Plan cannot deprive Liberty of standing. Even if the “insurance neutrality” language in the Plan achieved the goal that the Debtor claims is intended (which it does not), the Supreme Court explicitly stated in *Truck* that the concept of “insurance neutrality” is not a justification for depriving an insurer of standing in a bankruptcy case.<sup>38</sup> Moreover, the Plan is decidedly *not* insurance neutral. [REDACTED]

[REDACTED] If the Plan is confirmed, the Asbestos Trust and Asbestos Claimants will be allowed to file actions against Liberty seeking to extract payments under the Liberty Policies notwithstanding [REDACTED]

24. A single paragraph containing “insurance neutrality” language embedded within a Plan that is designed to prejudice the rights of Liberty and other Non-Settling Asbestos Insurers does nothing to mitigate the prejudicial impact of the Plan and TDP. Moreover, the only part of section 8.18 that actually speaks to the *rights* of insurers is the partial sentence: “[n]othing . . . shall limit the right of any insurer to assert any coverage defense”. The remainder of section 8.18

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<sup>37</sup> See *In re AIO US, Inc.*, 2025 Bankr. LEXIS 1369, at \*27 (“Once an objector is found to be a party in interest, there is no authority for courts to construct further obstacles to the party’s participation”); see also *Kiviti v. Bhatt*, 80 F.4th 520, 532 (4th Cir. 2023) (“[B]ankruptcy courts are not Article III courts.”).

<sup>38</sup> See *Truck*, 602 U.S. at 283.

is intended to restate and preserve insurers' *liabilities*. And, the one sentence does not even preserve all of Liberty's defenses, [REDACTED]

[REDACTED] it is limited to undefined "coverage defenses."

25. In sum, Liberty has standing to object to the Plan because not only is it a party in interest to these proceedings, it is a principal focus of the Plan.

## **II. The Plan Cannot be Confirmed Because It Violates Section 524(g) of the Bankruptcy Code.**

26. Hopeman did not file this chapter 11 case intending to file a plan of reorganization. Rather, Hopeman sought "an orderly liquidation" after "ceasing business operations in 2003."<sup>39</sup> Because it would be liquidating and not reorganizing, Hopeman would not be entitled to a discharge under section 1141(d)(3) of the Bankruptcy Code. After the Committee wrested control of this case from Hopeman, it pressured Hopeman to create a legal fiction that it is "reorganizing" so that the estate can receive the benefit of a discharge under section 1141 and a "supplemental" discharge injunction under section 524(g), as well as to establish a process for compensating future claimants.<sup>40</sup> The Committee's pressure on Hopeman to pivot from a liquidating plan to a 524(g) plan itself represents a reversal in position from the Committee, whose counsel previously argued that the Debtor did not need to hire special insurance counsel because "the central issue in this case

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<sup>39</sup> First Day Declaration at ¶¶ 1, 7.

<sup>40</sup> Hopeman's counsel admitted that its about-face was the result of pressure from the Committee:

Well, Judge, the term sheet represents really a pivot, certainly for the debtor. It's a pivot from the liquidating plan we previously filed with the Court . . . why is the debtor pivoting to this term sheet? Well, there's several reasons, and I think the first one is pretty clear. This is what the creditors have told us they want.

Tr. of Mar. 10, 2025 Hr'g, at 5:17-20, 11:24-12:2 (attached hereto as **Exhibit F**).

Mr. Lascell testified the same thing. *See* Lascell Dep. at 125:7-20.

. . . is monetizing the insurance and getting the debtor underway with a liquidation. Since the Debtor doesn't have an operating business, it's not returning to the tort system."<sup>41</sup>

27. The Plan proposes that Reorganized Hopeman will "acquire a minority ownership interest in" a 330-unit multifamily community (the "Property").<sup>42</sup> Reorganized Hopeman will pay \$350,000 in exchange for a 1.7% membership interest in the Property.<sup>43</sup> That passive investment has yet to occur, and it bears no resemblance whatsoever to Hopeman's pre-petition business.<sup>44</sup> Instead, Hopeman proposes to make this passive investment solely to fit the square peg of the Committee's desired Plan structure into the round hole of section 524(g). It simply does not fit, as the Debtor and its counsel has acknowledged.<sup>45</sup>

28. Nonetheless, after giving in to pressure from the Committee,<sup>46</sup> Hopeman now insists that its 1.7% membership interest in the Property is sufficient to make it a "going-concern cleansed of asbestos liability [that] will provide the asbestos personal injury trust with an

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<sup>41</sup> Tr. of Sept. 10, 2024 Hr'g, at 20:7-14 (cited pages of Sept. 10, 2024 Hr'g Tr. attached hereto as Exhibit G).

<sup>42</sup> See Plan Supplement at Exhibit F.

<sup>43</sup> See *id.* Additionally, Reorganized Hopeman will "be capitalized with an additional \$150,000 in Net Reserve Funds, which will be invested in high quality fixed income securities, anticipated to earn a market rate of interest of approximately 4.0%". See *id.* Deeming such an investment a "business" would be absurd. If this was the case, any individual could invest \$150,000 in stock and state that they are currently operating an ongoing business. Conor Tully of FTI Consulting, Inc. ("FTI"), who spearhead the identification of Hopeman's proposed investment in the Property (as defined herein), admitted that there are a "lot of similarities" between Hopeman's proposed "business" and a mutual fund. See June 27, 2027 Dep. of Conor Tully at 224:16-17, 225:2-3 (cited pages of the Tully Dep. are attached hereto as Exhibit H).

<sup>44</sup> See Tully Dep. at 215:19-25.

<sup>45</sup> See Lascell Dep. at 59:10-15; E-Mail from Joseph Rovira, Partner at Hunton Andrews Kurth LLP, to Jeffrey Liesemer, Member at Caplin & Drysdale, Chartered (Nov. 26, 2024 at 10:57 a.m.) (attached hereto as Exhibit I) ("There are a number of issues that need to be discussed and vetted, including . . . if a confirmable plan can be proposed given Hopeman has no ongoing business").

<sup>46</sup> See Exhibit I ("While we understand that Committee's desire to go forward with a 524(g) trust . . . the proposed term sheet locks the Debtor into pursuing that path now, which the Debtor is not in a position to agree to at this time"); E-mail from Joseph Rovira, Partner at Hunton Andrews Kurth LLP, to Patricia Santelle, Chair Emeritus at White and Williams LLP (Dec. 5, 2024 at 1:33 p.m.) (attached hereto as Exhibit J) ("There is no provision for 524. The Committee wants us to discuss that as part of negotiations over a Plan and the Debtor agreed to discuss it. That's it.").

‘evergreen’ source of funding to pay future claims.”<sup>47</sup> Indeed, Hopeman cites *Combustion Engineering* as an example of a section 524(g) plan that was confirmed where the debtor’s prepetition “business” consisted solely of a real estate investment.<sup>48</sup>

29. That argument misses a critical step. A debtor cannot be eligible for the special protections of § 524(g) without first being eligible to receive a discharge under § 1141 and, while not binding, multiple courts within this Circuit have held that a debtor is not so eligible when there is no reorganization of a pre-petition business. The Fourth Circuit has come to the same conclusion, albeit in an unpublished decision.<sup>49</sup>

30. But even aside from that requirement, Hopeman’s argument fails because it neglects to mention that Combustion Engineering’s 524(g) plan was vacated by the Third Circuit for failing to satisfy section 524(g).<sup>50</sup> The Third Circuit stated in dicta whether the debtor met the going concern requirement was, at best, uncertain:

Combustion Engineering’s post-confirmation business operations would be, at most, minimal. Combustion Engineering would emerge from Chapter 11 with no employees, no products or services, and in a cash neutral position. Its sole business activity would relate to the ownership of an environmentally contaminated piece of real estate in Connecticut (a so-called ‘brown field’) and related lease activities. Although it is debatable

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<sup>47</sup> *In re Combustion Eng’g, Inc.*, 391 F.3d 190, 248 (3d. Cir. 2004).

<sup>48</sup> *See Omnibus Reply in Support of Solicitation Procedures Motion* [Dkt. No. 759] (the “Omnibus Reply”) at ¶ 15.

<sup>49</sup> *See Grausz v. Sampson (In re Grausz)*, 63 F. App’x 647, 650 (4th Cir. 2003) (finding it “clear” that § 1141(d)(3) requires “the **continuation** of a **pre-petition** business) (emphasis in original); *see also In re Lloyd E. Mitchell, Inc.*, No. 06-13250-NVA, 2012 Bankr. LEXIS 5531, at \*11-12 n. 6 (Bankr. D. Md. Nov. 29, 2012) (“LEM cannot satisfy what has been described as the ‘ongoing business requirement’ which is a predicate to the establishment of such a trust because LEM has no ongoing business.”). While *Grausz* is unpublished, it is worth noting that at least one court has cited it as “particularly compelling.” *See Spokane Rock I, LLC v. Um (In re Um)*, Nos. 10-46731, 10-46732, Adv. No. 14-04311, 2015 Bankr. LEXIS 3316, at \*21 (Bankr. W.D. Wash. Sept. 30, 2015) (emphasis in original), *aff’d*, No. C15-5787-BHS, 2016 U.S. Dist. LEXIS 182336, at \*10 (W.D. Wash. Aug. 18, 2016) (“[T]he Court concludes that, in the context of the bankruptcy code, the term ‘business’ in § 1141(d)(3)(B) means pre-petition business”); *aff’d on other grounds, Um v. Spokane Rock I, LLC*, 904 F.3d 815, 820 (9th Cir. 2018).

<sup>50</sup> *See Combustion Eng’g*, 391 F.3d at 248.

whether Combustion Engineering could satisfy § 524(g)(2)(B)(i)(II), it does not appear that the Certain Cancer Claimants raised this issue.<sup>51</sup>

31. The Third Circuit’s decision strongly suggests that the court would have found that Combustion Engineering did not satisfy the “going concern” requirement but for the prudential standing requirement that is no longer viable after *Truck*. In addition to stating that it was “debatable” whether Combustion Engineering’s real estate holdings were sufficient to comprise a postpetition business, the Third Circuit remanded for further consideration of good faith.<sup>52</sup>

32. The Third Circuit is not the only appeals court that has struck down a debtor’s attempt to make an end run around the strict requirements of section 524(g). Among other things, the Bankruptcy Code requires a section 524(g) trust to:

- assume the liabilities of a debtor that has been named as a defendant in personal injury, wrongful death, or property-damage actions seeking recovery for damages allegedly caused by the presence of, or exposure to, asbestos or asbestos-containing products (11 U.S.C. § 524(g)(2)(B)(i)(I));
- be funded in whole or in part by the securities of at least one debtor involved in the plan of reorganization and by the obligation of the debtor or debtors to make future payments, including dividends (*Id.* at § 524(g)(2)(B)(i)(II));
- own or, if specified contingencies occur, would be entitled to own a majority of the voting shares of (1) each debtor, (2) the parent corporation of each debtor, or (3) a subsidiary of each debtor that is also a debtor (*Id.* at § 524(g)(2)(B)(i)(III)); and
- use its assets or income to pay claims and demands (*Id.* at § 524(g)(2)(B)(i)(IV)).

33. In *Fireman’s Fund Insulation Company v. Plant Insulation Company (In re Plant Insulation Company)*, the Ninth Circuit vacated the order confirming Plant Insulation’s section 524(g) plan because it did not comply with section 524(g).<sup>53</sup> Plant Insulation’s asbestos trust would only gain ownership of the reorganized debtor (another section 524(g) requirement) if

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<sup>51</sup> *Id.*

<sup>52</sup> *Id.* at 247.

<sup>53</sup> *See* 734 F.3d 900, 917 (9th Cir. 2013).

certain unlikely contingencies occurred, but the debtor argued that “any contingency suffice[d].”<sup>54</sup> The Ninth Circuit disagreed, reasoning, “[i]f ‘specified contingencies’ could include any contingency — such as a meteor hitting the Empire State Building — then the subsection has no content because the plan drafters could write it out of existence at will.”<sup>55</sup> Rather, the Ninth Circuit read the requirement in light of section 524(g)’s “purpose and context,” which is to ensure that “after the bankruptcy, the trust stands in for the debtor with regard to asbestos claims and the debtor continues to operate its business for the benefit of the trust.”<sup>56</sup>

34. No court in this Circuit has directly addressed whether Hopeman’s proposed passive investment qualifies as a “reorganization” for purposes of section 524(g). However, Hopeman’s situation is directly analogous to *Plant Insulation*. Hopeman essentially argues that “any postpetition business suffices,” even if it consists of a less than 2% passive ownership interest in an apartment building. This lends as much meaning to the “ongoing business” requirement as a meteor striking the Empire State Building lends to the “specified contingencies” requirement.<sup>57</sup> The Ninth Circuit recognized that Plant Insulation’s plan had been “proposed in an attempt to fit within the statute” — as has Hopeman’s — and rejected that attempt.<sup>58</sup> So, too, should this Court.

35. If a debtor can satisfy the “ongoing business” component of section 524(g) by literally conducting *any* post-petition activity, no matter how small or unrelated to its pre-petition operations — a paper route, a lemonade stand, selling lost golf balls — the “ongoing business” condition is rendered not only meaningless, but a mockery. The fact that section 524(g) is

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<sup>54</sup> *Id.* at 915.

<sup>55</sup> *Id.*

<sup>56</sup> *Id.* at 916.

<sup>57</sup> *See id.* at 915.

<sup>58</sup> *Id.* at 906.

premised upon the *Johns-Manville* case, in which the debtor continued its prepetition operations post-confirmation for the benefit of the asbestos trust, provides further proof that “ongoing business” cannot mean what the Plan proponents need it to mean to justify the Plan — effectively, nothing.<sup>59</sup>

36. Hopeman relies heavily on *Imperial Tobacco Canada, Ltd. v. Flintkote Company (In re Flintkote Company)*.<sup>60</sup> However, *Flintkote* undercuts Hopeman’s argument by implying that “passive investing” most likely does *not* qualify as an ongoing business. In characterizing Flintkote’s business, the bankruptcy court noted that:

*Although [objector] characterizes Flintkote’s real estate activity as merely ‘passive investing,’ the evidence at trial established that Flintkote’s real estate activities are fairly considered a ‘business.’* Flintkote searches for properties to acquire through its officer, David Gordon, who has twenty years of experience in the quick-service food industry. Post-acquisition, Flintkote engages in other activity, including: (1) evaluating tenant risk; (2) periodically inspecting the restaurants and monitoring the tenant’s financial performance; (3) collecting and distributing the rents; (4) ongoing market review, to ensure that the brands operated by Flintkote’s tenants are performing profitably in their respective areas; and (5) building Flintkote’s credibility and reputation in the quick service food industry, so that it can develop relationships with brokers who have access to profitable properties.<sup>61</sup>

37. In addition to all of those affirmative operations, the *Flintkote* court noted that the debtor had plans to acquire additional restaurants post-confirmation and also cited a second, independent line of operations (business and executive consulting) basing its conclusion that the

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<sup>59</sup> See *id.* at 905-06 (citing *Kane v. Johns-Manville Corp.*, 843 F.2d 636 (2d. Cir. 1988)). Indeed, the history of section 524(g) confirms this point. In the *Manville* bankruptcy, Judge Lifland stated that the “imperative” purpose of the injunction was to protect and preserve “the *continuing* viability” of the operating entity so as to provide an “evergreen” funding source to pay future claims. *In re Johns-Manville Corp.*, 68 B.R. 618, 622 (Bankr. S.D.N.Y. 1986). Congress reiterated this purpose when it enacted section 524(g), stating that the supplemental injunction is intended to allow “an otherwise viable business to quantify, consolidate, and manage its debt so that it can satisfy its creditors to the maximum extent feasible, but without threatening its continued existence and the thousands of jobs that it provides.” 140 Cong. Rec. 28,358 (1994) (statement of Sen. Brown).

<sup>60</sup> 486 B.R. 99, 133-34 (Bankr. D. Del. 2012); Omnibus Reply at ¶¶ 16-19.

<sup>61</sup> *Id.*



going concern requirement was met was based on both lines of business together.<sup>62</sup> This case could not be more different.

38. Hopeman’s sole officer and director, Christopher Lascell, testified that he had no involvement in identifying the Property, cannot name the Property, does not know where it is located, does not know how many apartment units it has, and does not know who ultimately recommended the proposed investment in the Property — which investment he characterizes as “passive”.<sup>63</sup> Mr. Lascell wants to leave everything that has to do with Hopeman behind and “be done with it.”<sup>64</sup> When identifying Hopeman’s proposed investment in the Property, FTI’s representatives did not speak to Mr. Lascell or consider his past business experience (which does not include real estate investment), nor did they consider looking for a business opportunity that was in any way related to Hopeman’s historic business.<sup>65</sup> When deposed, the representative of the other Plan Proponent (the Committee), Mr. Trey Branham, was similarly unaware of any salient facts about the investment.<sup>66</sup>

39. This Court may draw two conclusions from these facts. First, the Committee professes to know nothing about the proposed investment that it insists is sufficient to satisfy the stringent requirements of section 524(g). Second, despite the fact that Hopeman had no involvement in formulating its own proposed investment — and the only director and officer of Hopeman cannot name the most basic facts about the Property and has no intention of participating

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<sup>62</sup> See *id.* at 134.

<sup>63</sup> See Lascell Dep. at 76:3-13, 117:9-118:2, 118:22-25.

<sup>64</sup> See *id.* at 85:2-7.

<sup>65</sup> See Tully Dep. at 215:19-25, 217:5-10; Lascell Dep. at 119:12-17.

<sup>66</sup> See July 3, 2025 Dep. of Trey Branham, at 25:9-26:1, 27:1-7, 28:10-25 (cited pages of the Branham Dep. are attached hereto as **Exhibit K**).

in its management — Hopeman asks this Court to confirm its proposed investment in the Property as a legitimate “business” sufficient to serve as the cornerstone of the entire Plan.

40. The Plan Supplement names Matthew T. Richardson as Reorganized Hopeman’s sole director and officer. Mr. Richardson is a complex civil litigator whose biography page does not reference any experience managing passive real estate investments.<sup>67</sup> Mr. Lascell testified that he has never met Mr. Richardson, is not aware of his background, does not know “anything about him,” and, in fact, could not even remember his name.<sup>68</sup> Nor did Mr. Tully — who facilitated FTI’s identification of the proposed investment in the Property — consider whether Mr. Richardson had expertise in passive real estate investments when identifying the proposed investment in the Property.<sup>69</sup> Indeed, Mr. Tully had not heard of Mr. Richardson at that time, and has no knowledge whatsoever as to his background.<sup>70</sup> One thing that Mr. Tully did know is that, even if Mr. Richardson somehow intended to participate in managing the Property (which is located in Houston, Texas) from his office in South Carolina,<sup>71</sup> Hopeman, as a limited partner in a DST (Delaware Statutory Trust), will have no ability to impact or influence the actual business operations at the Property.<sup>72</sup> FTI proposed the DST structure through which Hopeman will invest in the Property.<sup>73</sup> Mr. Tully specifically testified that FTI’s “mandate” was to locate a “passive”

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<sup>67</sup> See Plan Supplement at Exhibit D; Wyche, P.A., *Matthew T. Richardson*, <https://wyche.com/what/attorneys/matthew-t-richardson/> (last visited Jun. 23, 2025).

<sup>68</sup> See Lascell Dep. at 77:21-78:3, 85:16-86:5.

<sup>69</sup> See Tully Dep. at 219:1-7.

<sup>70</sup> See *id.* at 219:24-25; 220:1-4.

<sup>71</sup> See Plan Supplement at Exhibits D, F.

<sup>72</sup> See Tully Dep. at 228:7-17.

<sup>73</sup> E-mail from Nathaniel Miller, Of Counsel at Caplin & Drysdale, Chartered, to Henry Long, III, Counsel at Hunton Andrews Kurth LLP, *et al.* (Apr. 23, 2025 at 10:36 p.m.) (attached hereto as **Exhibit L**).

investment with respect to which Reorganized Hopeman would not need to be actively involved in any day-to-day operations.<sup>74</sup>

41. To summarize, Hopeman relies on *Flintkote* as a prior court decision justifying a proposed “business” that consists of a passive real estate investment such as Hopeman’s.<sup>75</sup> However, Hopeman and Flintkote’s situations are completely different, as summarized below:

Hopeman	Flintkote
Current director/officer will not continue on post-confirmation	Current director/officer continued on to manage the reorganized debtor
Postpetition “business” has nothing to do with the business experience of either the current or post-confirmation director/officer	Current director/officer had twenty years’ experience in the debtor’s industry
Reorganized debtor will have no active participation in the reorganized “business”	Reorganized debtor took an active role in managing the postpetition business, including by evaluating tenant risk, periodically inspecting the restaurants and monitoring the tenant’s financial performance, collecting and distributing rents, conducting ongoing market review, and building brand reputation

In sum, Hopeman’s proposed “passive” investment is exactly the type of investment that the court in *Flintkote* did **not** sanction.<sup>76</sup>

42. The only other published decision that Hopeman relies upon is *RWG Construction, Inc. v. Lucido (In re Lucido)*, a non-524(g) opinion from the Bankruptcy Court for the Northern District of California that held that a debtor does not need to maintain a prepetition business in

<sup>74</sup> See Tully Dep. at 104:10-20; 105:15-24; 213:9-23.

<sup>75</sup> See Omnibus Reply at ¶ 13.

<sup>76</sup> See 486 B.R. at 133 (“Although [objector] characterizes Flintkote’s real estate activity as merely ‘passive investing,’ the evidence at trial established that Flintkote’s real estate activities are fairly considered a ‘business’”).

order to qualify for a discharge under section 1141(d) of the Bankruptcy Code.<sup>77</sup> However, another bankruptcy court in the Northern District of California came to the opposite conclusion in the section 524(g) bankruptcy of a defunct company called Western Asbestos. There, the court found that the debtor was “not entitled to a discharge or the protection of a discharge injunction . . . [because] there would be no substance left to 11 U.S.C. 1141(d)(3) if the level of assets and business activity retained by Western Asbestos entitled it to a discharge”.<sup>78</sup> *Lucido* teaches nothing except that sections 1141 and 524(g) have been subject to different interpretations, even by judges within the same district.

43. Hopeman emphasized that the Fourth Circuit’s opinion in *In re Grausz* is non-precedential.<sup>79</sup> The other bankruptcy cases that Hopeman cites are not only non-precedential, but they are not even opinions — just cherry-picked confirmation orders<sup>80</sup> that should have no persuasive value to this Court.<sup>81</sup> On the other hand, in a recent case involving a debtor facing

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<sup>77</sup> 655 B.R. 355, 365 (Bankr. N.D. Cal. 2023).

<sup>78</sup> *In re W. Asbestos Co.*, 313 B.R. 832, 853 (Bankr. N.D. Cal. 2003).

<sup>79</sup> 63 F. App’x 647, 650 (4th Cir. 2003); Tr. of May 21, 2025 Hr’g, at 59:12-17 (attached hereto as **Exhibit M**).

<sup>80</sup> See Debtors’ Memorandum of Law In Support of Confirmation of the First Amended Plan of Reorganization of the Fairbanks Company Under Chapter 11 of the Bankruptcy Code, *In re Fairbanks Co.*, No. 18-41768-PWB (Bankr. N.D. Ga. July 1, 2021) [Dkt. No. 783] at 10 (“The Plan enjoys unanimous support . . . No objections to confirmation have been filed”); *Plan Proponents’ Memorandum of Law in Support of Confirmation of the Plan of Reorganization for Yarway Corporation Under Chapter 11 of the Bankruptcy Code Proposed by Yarway Corporation and Tyco International PLC*, No. 13-11025 (BLS) (Bankr. D. Del. Apr. 2, 2015) [Dkt. No. 845] at 9 (“No objections to confirmation have been filed”); Plan Proponents’ Memorandum of Law In Support of Confirmation of the Second Amended Plan of Reorganization, As Modified, for Sepco Corporation Under Chapter 11 of the Bankruptcy Code, *In re Sepco Corp.*, No. 16-50058 (AMK) (Bankr. N.D. Ohio Mar. 20, 2020) [Dkt. No. 721] at 1 “The Plan enjoys unanimous support. . . . No objections to confirmation have been filed”).

<sup>81</sup> See Omnibus Reply at ¶ 14. Courts have held that “it is inappropriate to rely on orders entered in uncontested matters as support for requested relief in a contested matter.” *Motors Liquidation Co. Avoidance Action Trust v. JPMorgan Chase Bank, N.A. (In re Motors Liquidation Co.)*, 561 B.R. 36, 44 (Bankr. S.D.N.Y. 2016); see also *In re Big Lots, Inc.*, No. 24-11967 (JKS), Tr. of Sept. 10, 2024 Hr’g at 147:3-14 (Bankr. D. Del. 2024) [Dkt. No. 138] (noting that a bankruptcy court need not adopt positions stated in previous bankruptcy court orders when “no one raised” the issue the court is considering in the present case); *TitleMax of Ala., Inc. v. Hambright (In re Hambright)*, Nos. 20-70608-JHH13, 20-70016-JHH, 2021 Bankr. LEXIS 3210, at \*94-95 (Bankr. N.D. Ala. Nov. 19, 2021) (quoting Bryan A. Garner, *et al.*, THE LAW OF JUDICIAL PRECEDENT § 6, at 84 (2016) (“A decision’s authority as precedent is limited to the points of law raised by the record, considered by the court, and determined by the outcome”)).

possible asbestos liability that actually had an operating makeup business, the debtor did not even attempt to utilize section 524(g) because it “lacked the insurance or assets necessary to utilize that statute”.<sup>82</sup> The bankruptcy court found that there was “no possibility” of the debtor creating a practicable 524(g) trust even though it was projected to have \$233,504 in net disposable income over the next three years — which amount is almost double the projected cumulative cash flow of Reorganized Hopeman of \$121,125 at the end of FY 2028.<sup>83</sup>

44. At bottom, there is no precedent binding this Court regarding this issue. Liberty respectfully submits that this Court should follow the holdings of the Third and Ninth Circuits and decline to allow Hopeman to confirm a Plan that is blatantly inconsistent with the requirements and purpose of section 524(g).

**III. The Plan Cannot be Confirmed Because It Seeks to Transfer Property That Is Not Property of Hopeman’s Estate.**

45. The Plan cannot be confirmed because the Insurance Assignment seeks to assign Hopeman’s rights related to the Liberty Policies to the Asbestos Trust. However, Hopeman has already released and sold all of its rights related to the Liberty Policies, as it has admitted: “

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Therefore, these rights do not constitute property of

Hopeman’s estate and cannot be sold, transferred, assigned, or otherwise conveyed to the Trust or to any other party, on a “quitclaim” basis or otherwise.

<sup>82</sup> *Gori Law Firm v. Ben Nye Co., Inc. (In re Ben Nye Co., Inc.)*, BAP Nos. CC-24-1161-SGF, CC-24-1162-SGF, Bk. No. 2:24-bk-11857-DS, 2025 Bankr. LEXIS 1451, at \*10 (B.A.P. 9th Cir. Jun. 17, 2025).

<sup>83</sup> *See id.* at \*15, 18; Plan Supplement at Exhibit I.

<sup>84</sup> Hopeman’s Resp. to Liberty’s Interrog. No. 1 (attached hereto as Exhibit N).

cannot be sold, transferred, assigned, or otherwise conveyed to the Trust or to any other party, on a “quitclaim” basis or otherwise.

46. Section 8.3(b) of the Plan provides that “[o]n the Effective Date . . . the Asbestos Insurance Rights shall be automatically transferred to, and indefeasibly vested in, the Asbestos Trust[.]”<sup>85</sup> The definition of “Asbestos Insurance Rights” includes:

[A]ny and all of Hopeman’s rights, title, privileges, interests, claims, demands, or entitlements in or to any insurance coverage, defense, indemnity, proceeds, payments . . . causes of action, and choses in action under, for, or related to . . . the Asbestos Insurance Policies . . . including: (a) any and all rights of Hopeman to pursue or receive payment reimbursement, or proceeds under any Asbestos Insurance Policy . . . (f) any and all Extracontractual Claims, and any and all rights of Hopeman to pursue or receive payments or recoveries on account thereof.<sup>86</sup>

47. The term “Asbestos Insurance Policies” means “the insurance policies identified on Exhibit H of the Plan and any other insurance policy of Hopeman, whether known or unknown, that provides or potentially provides coverage for any Channeled Asbestos Claim.”<sup>87</sup> The Liberty Policies are not identified on Exhibit H of the Plan, and Hopeman has admitted that all coverage under the Liberty Policies has been released.<sup>88</sup> Therefore, the Liberty Policies should not be included within the definition of Asbestos Insurance Policies, and Hopeman’s rights therein should not constitute part of the Insurance Assignment. Nevertheless, they are and do.<sup>89</sup> Additionally,

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<sup>85</sup> Plan at § 8.3(b) (the “Insurance Assignment”).

<sup>86</sup> *Id.* at § 1.13.

<sup>87</sup> *Id.* at § 1.12.

<sup>88</sup> *See, e.g.*, Hopeman’s Resp. to Liberty’s Interrog. No. 1 (attached hereto as Exhibit N) [REDACTED]

<sup>89</sup> The term “Asbestos Insurer” means “any Entity, including any insurance company, broker, or guaranty association, that has issued, or that has any actual or potential liabilities, duties or obligations under with respect to any Asbestos Insurance Policy.” Plan at § 1.15. The term “Non-Settling Asbestos Insurer” means “an Asbestos Insurer that is not a Settled Asbestos Insurer” and, as aforementioned, explicitly names Liberty as a Non-Settling Asbestos Insurer. *Id.* at § 1.80. Because Liberty is a Non-Settling Asbestos Insurer, it is an Asbestos Insurer, which necessarily requires it to have issued an Asbestos Insurance Policy as that term is utilized by the Plan.

Hopeman has confirmed that it intends to transfer its rights related to the Liberty Policies, if any, to the Trust.<sup>90</sup>

48. It is black-letter law that a bankruptcy court may exercise jurisdiction over — and by extension, a plan may affect — only property of a debtor’s estate, which is defined by section 541 of the Bankruptcy Code.<sup>91</sup> A debtor’s estate is comprised of, among other things, “all legal or equitable interests of the debtor in property as of the commencement of the case.”<sup>92</sup> Those property interests neither expand nor contract by happenstance of bankruptcy.<sup>93</sup>

49. [REDACTED]

50. Therefore, as of the Petition Date, Hopeman had *no rights related to the Liberty Policies*. Hopeman’s bankruptcy filing did not magically create rights out of thin air.<sup>95</sup> “[I]t is well settled that property transferred by the debtor is not ‘property of the estate’ until the debtor

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Thus, the Plan contemplates that Hopeman will transfer its alleged Asbestos Insurance Rights related to the Liberty Policies to the Asbestos Trust.

<sup>90</sup> See Hopeman’s Resp. to Liberty’s Interrog. No. 1 (“In the proposed Plan, the Debtor proposes to assign whatever such rights, if any, it has that are related to the LMIC insurance policies to the Asbestos Trust”); Hopeman’s Resp. to Liberty’s Interrog. No. 9 (attached hereto as **Exhibit O**) (“The Debtor states that it is not aware of any Extracontractual Claim(s) it possesses against LMIC. In the proposed Plan, the Debtor agrees to assign whatever such rights, if any, it has to the Trust.”).

<sup>91</sup> See 11 U.S.C. § 541(a)(1).

<sup>92</sup> *Id.*

<sup>93</sup> See *Tempnology*, 587 U.S. at 381.

<sup>94</sup> 2003 Settlement Agreement at § VII.A.

<sup>95</sup> See *Tempnology*, 587 U.S. at 381.

succeeds in compelling the property's return."<sup>96</sup> Furthermore, the statutory authority under which Hopeman purports to assign the Asbestos Insurance Rights to the Asbestos Trust is section 1123(a)(5)(B) of the Bankruptcy Code.<sup>97</sup> That section of the Bankruptcy Code authorizes provisions of a plan that "provide adequate means for the plan's implementation, such as . . . transfer of all or any part of the *property of the estate* to one or more entities, whether organized before or after the confirmation of such plan."<sup>98</sup> Hopeman sold all rights and interests in the Liberty Policies to Liberty over two decades ago. There are no rights remaining that could constitute property of the estate, meaning the Court lacks jurisdiction to approve the Insurance Assignment to the extent it purports to transfer rights that Liberty purchased from Hopeman.

51. Nor does the Bankruptcy Code permit Hopeman to sell its alleged rights, if any, related to the Liberty Policies to the Asbestos Trust in the same manner as a quitclaim deed. Bankruptcy courts have allowed "litigation rights" to be assigned in the same manner as a quitclaim deed, which assignment does not guarantee the merits of the action or that the assignor has any actual interest in the property conveyed.<sup>99</sup> However, that approach is impermissible here for two reasons.

52. Hopeman's alleged rights related to the Liberty Policies are entirely different from what courts describe as "remnant" assets of the estate.<sup>100</sup> "Remnant" assets are assets in which the

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<sup>96</sup> *Lehman Bros. Holdings v. JPMorgan Chase Bank, N.A. (In re Lehman Bros. Holdings, Inc.)*, 480 B.R. 179, 192 (S.D.N.Y. 2012) (citing *FDIC v. Hirsch (In re Colonial Realty Co.)*, 980 F.2d 125, 131 (2d Cir. 1992) ("[I]t is well settled that property transferred by the debtor is not 'property of the estate' until the debtor succeeds in compelling the property's return")); *see also Tyler v. Ownit Morg. Loan Trust*, 460 B.R. 458, 463 (E.D. Va. 2011) (estate had no interest in property that had been validly conveyed prior to the petition date).

<sup>97</sup> Plan at § 8.3(g)(viii).

<sup>98</sup> 11 U.S.C. § 1123(a)(5)(B).

<sup>99</sup> *See Gorka v. Joseph (In re Atl. Gulf Cmty. Corp.)*, 326 B.R. 294, 300 (Bankr. D. Del. 2005); *In re Woldeyohannes*, 665 B.R. 543, 566 (Bankr. D. Conn. 2024) ("[S]elling remnant assets of the estate, assets that may or may not be in existence at the time of the sale, is generally allowed.").

<sup>100</sup> *In re Woldeyohannes*, 665 B.R. at 566.



debtor may or may not have an interest, but no party has alleged that it affirmatively does *not* have such an interest.<sup>101</sup> Courts specifically distinguish “remnant” assets from assets with respect to which there is a dispute over whether the estate owns the property to be sold.<sup>102</sup> In such a situation, the bankruptcy court is *required* to adjudicate the dispute before selling the property.<sup>103</sup> Hopeman’s rights related to the Liberty Policies are not simply “remnant” rights that may or may not exist. They are specific, identifiable rights that were sold to Liberty pursuant to the 2003 Agreements.<sup>104</sup> Hopeman does not dispute this.<sup>105</sup> Therefore, it is not even necessary for this Court to adjudicate the issue: it is undisputed that Hopeman’s estate has no ownership rights related to the Liberty Policies.<sup>106</sup>

53. Because Hopeman’s prior rights related to the Liberty Policies are owned by Liberty, not Hopeman, they *cannot* be transferred pursuant to a “quitclaim” provision. However, even if such a transfer was possible, that is not what this Plan provides. To the contrary, the Plan specifies that:

- [t]he Asbestos Insurance Rights shall be indefeasibly vested in the Asbestos Trust free and clear of all Claims, Demands, Equity Interests, Encumbrances, and other interests of any Entity;

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<sup>101</sup> *See id.*

<sup>102</sup> *See id.*

<sup>103</sup> *See, e.g., Stokes v. Duncan (In re Stokes)*, No. MT-13-1097-TaPaJu, 2013 Bankr. LEXIS 4654, at \*23 (B.A.P. 9th Cir. 2013) (citing *Darby v. Zimmerman (In re Popp)*, 323 B.R. 260 (B.A.P. 9th Cir. 2005)); *Phillips v. Williams-Johnson (In re Williams-Johnson)*, No. 00-61211-T, 2002 Bankr. LEXIS 828, at \*6 (Bankr. E.D. Va. Jan. 17, 2002).

<sup>104</sup> Whether Hopeman retained any rights related to the Liberty Policies is of critical importance, since it may impact the ability for Asbestos Claimants to prosecute direct action claims against Liberty on account of the Liberty Policies. *See, e.g., Gen. Accident Fire & Life Assurance Corp. v. Aetna Cas. & Surety Co.*, 208 Va. 467, 471 (1968) (“[T]he provisions that give the injured person the right to sue the insurer do not enlarge or extend the insurer’s liability but only permit the injured person to exercise or succeed to the insured’s rights against the insurer. The right of the injured person to maintain the action against the insurer rises no higher than the right of the insured against the insurer”) (citing *Storm v. Nationwide Mutual Ins. Co.*, 199 Va. 130, 97 (Va. 1957)).

<sup>105</sup> *See* Hopeman’s Resp. to Liberty’s Interrog. No. 1.

<sup>106</sup> For this reason, section 363(f) of the Bankruptcy Code does not apply.

- all transfers of assets of Hopeman contemplated under the Plan shall be free and clear of all Claims and Encumbrances against or on such assets; and
- the assignment of the Asbestos Insurance Rights is valid and enforceable under sections 524(g), 541(e), 1123(a)(5)(B), and 1129(a)(1) of the Bankruptcy Code, and the Bankruptcy Code preempts any anti-assignment contractual provisions and applicable state law.<sup>107</sup>

54. These provisions — which ask this Court to make specific findings under the Bankruptcy Code that, among other things, the Asbestos Insurance Rights were transferred “free and clear” of all claims and interests — are the opposite of a quitclaim deed, which purports to sell assets “as-is” with no representations or warranties.<sup>108</sup>

55. Hopeman’s attempt to assign rights related to the Liberty Policies that it no longer possesses further highlights the problems inherent in the Plan’s so-called “insurance neutrality” language. On its face, the language provides that “[n]othing in the Plan, the Plan Documents, the Confirmation Order, any finding of fact and/or conclusion of law with respect to the confirmation of the Plan, or any order or opinion entered on appeal from the Confirmation Order, shall limit the right of any insurer to assert any coverage defense[.]”<sup>109</sup> What follows, however, are a number of exceptions to this general prohibition on the Plan impacting insurers’ rights. Among other things, section 8.18 of the Plan expressly provides that the Insurance Assignment “is valid and enforceable[.]”<sup>110</sup> The Plan clarifies that nothing related to the Plan’s purported neutrality language “is intended or shall be construed to preclude otherwise applicable principles of res judicata or collateral estoppel from being applied against any insurer with respect to any issue that is actually litigated by such insurer as part of its objections to confirmation of the Plan.”<sup>111</sup>

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<sup>107</sup> Plan at §§ 8.3(b); 11.1(f)(vii), (g)(viii).

<sup>108</sup> See *In re Stokes*, 2013 Bankr. LEXIS 4654, at \*23.

<sup>109</sup> Plan at § 8.18.

<sup>110</sup> *Id.*

<sup>111</sup> *Id.*

56. A “principle that anchors bankruptcy law” is that “[a] confirmation order is *res judicata* as to all issues decided or which could have been decided at the hearing on confirmation.”<sup>112</sup> This principle applies “[e]ven if the plan contains legal errors and confirmation was improper[.]”<sup>113</sup> It is not appropriate for this Court (which is not currently faced with a collateral attack on the Plan or Confirmation Order) to examine the *res judicata* or collateral estoppel effects of either document.<sup>114</sup> However, these cases prove that Liberty’s concern regarding the effects of a Plan that (i) improperly assigns rights owned by Liberty to the Asbestos Trust and subsequently (ii) facilitates lawsuits against Liberty by the Asbestos Trustee and Asbestos Claimants based on those non-existent rights will be used improperly by the Asbestos Trustee and Asbestos Claimants to attempt to persuade a post-confirmation coverage court that Liberty has liability to Asbestos Claimants under the Liberty Policies.

57. Liberty respectfully submits that adding the phrase “if any” as a means for mitigating the risk that Hopeman is transferring to the Asbestos Trust rights that Hopeman may not have will not cure the fundamental infirmity with the Insurance Assignment as it relates to Liberty. There is no reason to believe that the plaintiff-selected and plaintiff-run Asbestos Trust will adopt Hopeman’s position that Hopeman lacks any rights related to the Liberty Policies. On the contrary, the Plan provides that the Insurance Assignment “is valid and enforceable” and that

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<sup>112</sup> *Donaldson v. Bernstein*, 104 F.3d 547, 554 (3d Cir. 1997) (quoting *In re Szostek*, 886 F.2d 1405, 1408 (3d Cir. 1989)).

<sup>113</sup> *In re Temsco NC Inc.*, 537 B.R. 108, 127 (Bankr. D.P.R. 2015) (citing *United Student Aid Funds, Inc. v. Espinosa*, 559 U.S. 260, 273 (2010)); see *Stoll v. Gottlieb*, 305 U.S. 165, 171–72 (1938) (absent fraud in obtaining the judgment, *res judicata* applies to matters addressed in a plan confirmed by final order of a bankruptcy court).

<sup>114</sup> See *In re BSA*, 642 B.R. 504, 631 (Bankr. D. Del. 2022) (“The *res judicata* or collateral estoppel effect of any Order I issue confirming the Plan is for a future court to decide in the context of specific litigation”); *Chiron Corp. v. Ortho Diagnostic Sys.*, 207 F.3d 1126, 1134 (9th Cir. 2000) (noting that courts have “inherent authority to defend [their] own judgments” once those judgments have become final and conclusive).

such finding (which Liberty disputes) will be afforded *res judicata* and collateral estoppel effect.<sup>115</sup>

Liberty respectfully submits that the Bankruptcy Code does not permit confirmation of a Plan that purports to transfer alleged rights that are not property of the estate to the Asbestos Trust.

#### **IV. The Plan Cannot be Confirmed Because It Was Not Proposed In Good Faith.**

58. Hopeman was required to propose a plan “in good faith and not by any means forbidden by law.”<sup>116</sup> Good faith is an equitable concept, rooted in the promise of treatment that is “fair to rights and interests of the parties affected” by a bankruptcy reorganization.<sup>117</sup> Courts examine the totality of the circumstances to determine whether a plan was proposed in good faith and is consistent with the objectives and purposes of the Bankruptcy Code, which include “preserving going concerns and maximizing property available to satisfy creditors.”<sup>118</sup> Here, the totality of the circumstances indicate that the Debtor has not met its burden under section 1129(a)(3) of the Bankruptcy Code to prove that the Plan was proposed in good faith.<sup>119</sup>

59. Courts in this Circuit have approved plans that were filed either with the “legitimate and honest purpose of reorganizing”<sup>120</sup> or with the “legitimate and honest purpose of maximizing the value of the Debtors’ Estates and effectuating a successful liquidation of the Debtors.”<sup>121</sup> Hopeman seeks to monetize its only remaining assets (the Asbestos Insurance Policies) for the

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<sup>115</sup> See Plan at § 8.18.

<sup>116</sup> 11 U.S.C. §§ 1129(a)(3).

<sup>117</sup> *Official Comm. of Unsecured Cred. v. Nucor Corp. (In re SGL Carbon Corp.)*, 200 F.3d 154, 161 (3d. Cir. 1999) (internal quotations omitted); see *In re LTL Mgmt., LLC*, 64 F.4th 84, 100 (3d. Cir. 2023) (good faith requirement is “grounded . . . in the equitable nature of bankruptcy”).

<sup>118</sup> *Hanson Permanente Cement, Inc. v. Kaiser Gypsum Co. (In re Kaiser Gypsum Co.)*, 135 F.4th 185, 194 (4th Cir. 2025) (citing *Bank of AM. Nat’l Trust & Sav. Ass’n v. 203 N. Lasalle Pt’ship*, 526 U.S. 434, 453 (1999)).

<sup>119</sup> See, e.g., *In re Manchester Oaks Homeowners Ass’n*, No. 11-10179-BFK, 2014 Bankr. LEXIS 951, at \*11 (Bankr. E.D. Va. Mar. 12, 2014) (“The Debtor, as plan proponent, bears the burden of proof with respect to all elements of confirmation of its Plan”).

<sup>120</sup> *Behrmann v. Nat’l Heritage Found., Inc.*, 663 F.3d 704, 709 (4th Cir. 2011).

<sup>121</sup> *In re Health Diagnostic Lab, Inc.*, No. 15-32919, 2016 Bankr. LEXIS 4624, at \*24 (Bankr. E.D. Va. May 12, 2015).

benefit of the Asbestos Claimants. Had Hopeman proposed a liquidating plan, this may well have been a perfectly acceptable goal. However, Hopeman, a victim of interest capture by the Asbestos Claimants, is attempting to convince this Court that it is “reorganizing,” notwithstanding its repeated admissions that it has no ongoing business, operations, assets, or employees.<sup>122</sup> As such, the Plan that Hopeman has proposed is far from “legitimate and honest.”<sup>123</sup> An analysis of good faith examines “whether the debtor has sought to step outside the equitable limitations of Chapter 11.”<sup>124</sup> This Debtor has done so.

60. Once again, the dispute between Truck and Kaiser Gypsum proves instructive. On remand from the Supreme Court, the Fourth Circuit considered Truck’s arguments on the merits before dismissing Truck’s argument that Kaiser Gypsum’s chapter 11 plan was proposed in bad faith.<sup>125</sup> The fact that the plan allowed insured asbestos claimants to litigate their claims in the tort system did not constitute bad faith because the debtor was “clearly entitled to the full scope of coverage Truck had agreed to decades ago,” and Truck simply did not want to pay the claims that it was obligated to pay.<sup>126</sup> The facts here could not be more different.

61. As set forth in detail above, Hopeman is not entitled to any coverage under the Liberty Policies, nor is Liberty contractually obligated to pay any Asbestos Claim related to the Liberty Policies [REDACTED] Unlike Kaiser Gypsum — which used its plan to monetize the benefit of insurance coverage to which it was contractually

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<sup>122</sup> See Nov. 14, 2024 Dep. of Ronald Van Epps, Managing Director at Stout Risius Ross, at 110:19-21 (“that would be advice we received from counsel, that we could not pursue the 524(g), because we didn’t have the operations”) and 111:6-7 (“there’s no operating business, so 524(g) is not a possibility”) (cited pages of the Van Epps Dep. attached hereto as **Exhibit P**).

<sup>123</sup> *Nat’l Heritage Found.*, 663 F.3d at 709.

<sup>124</sup> *LTL Mgmt.*, 64 F.4th at 100.

<sup>125</sup> *In re Kaiser Gypsum Co.*, 135 F. 4th at 195.

<sup>126</sup> *Id.* at 195-96.

entitled under applicable nonbankruptcy law — Hopeman seeks to use the Plan to facilitate the prosecution of claims against Liberty that do not exist under applicable nonbankruptcy law by, *inter alia*, transferring rights related to the Liberty Policies that are not Hopeman’s to transfer.<sup>127</sup> In *Truck*, the Fourth Circuit held that the debtor’s “refusal to add anti-fraud measures for the insured claims in the tort system, *without more*, [did] not signify bad faith.”<sup>128</sup> Simply put, “more” is present here. The Plan seeks to obtain confirmation of provisions that do not comport with, and are therefore forbidden by, “applicable law.”<sup>129</sup> Not only that, but the Plan is the product of negotiations that involved improper collusion.<sup>130</sup>

62. Unlike Kaiser Gypsum’s plan, which was “the product of extensive arms’-length negotiations among interested parties,”<sup>131</sup> this Plan is the result of negotiations among only two parties: the Debtor and the Asbestos Claimants (inclusive of the Committee). Liberty requested to participate in the mediation that led to formulation of the Plan, but its request was denied.<sup>132</sup> This is unsurprising, as discovery yielded significant evidence demonstrating that the Debtor and the Asbestos Claimants colluded to specifically target Liberty and impair its interests in furtherance of their own goals.<sup>133</sup> The Asbestos Claimant-controlled governance structure provides even further evidence of the Debtor’s collusion with the Asbestos Claimants.

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<sup>127</sup> See *id.* at 196; Plan at §§ 8.12(a); 8.13(c), (e).

<sup>128</sup> *Id.* at 195 (emphasis added).

<sup>129</sup> See, e.g., *Irving Tanning Co v. Me. Superintendent of Ins.*, 496 B.R. 644, 661, 667 (B.A.P. 1st Cir. 2013) (finding that a plan that would “appropriate for distribution to creditors certain interests in property that are not the Debtors” was proposed by a means “forbidden by law”).

<sup>130</sup> See *id.* at 661.

<sup>131</sup> *In re Kaiser Gypsum Co.*, 135 F. 4th at 195.

<sup>132</sup> See Letter from Douglas R. Gooding, Partner at Choate, Hall & Stewart LLP, to Tyler Brown, Partner at Hunton Andrews Kurth LLP (Feb. 24, 2025) (attached hereto as **Exhibit Q**).

<sup>133</sup> See **Exhibits B-D** hereto.

63. The Asbestos Trust will be administered by two individuals: the Administrative Trustee, who “shall be responsible for all duties and responsibilities of the Trustees hereunder other than those relating to litigation,” and the Litigation Trustee, who “shall be responsible for all matters relating to Trust litigation.”<sup>134</sup> The Trustees will have unilateral authority over all operations of the Asbestos Trust, with input only from interested representatives of certain beneficiaries of the Asbestos Trust who devised the TDP and the Asbestos Trust Agreement: the TAC and FCR. The Trustees are required to consult with the TAC and FCR on the general implementation and administration of the Asbestos Trust and TDP.<sup>135</sup> Additionally, the Trustees must obtain the consent of the TAC and the FCR to take the following actions (which list is non-exhaustive):

- to determine, establish, or change the Payment Percentage described in section 2.3 of the TDP;
- to establish and/or change the Claims Materials to be provided to holders of Channeled Asbestos Claims under section 6.1 of the TDP;
- to settle (a) the liability of any insurer under any insurance policy or legal action related thereto or (b) any other litigation matter to which the Asbestos Trust is a party;
- if and to the extent required by section 6.5 of the TDP, to disclose any information, documents, or other materials to preserve, litigate, resolve, or settle coverage, or to comply with an applicable obligation under an insurance policy or settlement agreement pursuant to section 6.5 of the TDP; and
- to amend the TDP.<sup>136</sup>

64. As the successor in interest to Hopeman with respect to Asbestos Claims, the Asbestos Trust and its administration must be consistent with public policy.<sup>137</sup> However, the

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<sup>134</sup> Asbestos Trust Agreement at § 4.1.

<sup>135</sup> See Asbestos Trust Agreement at § 2.2(e).

<sup>136</sup> See *id.* at § 2.2(f).

<sup>137</sup> See, e.g., *In re Roman Catholic Bishop of Stockton*, No. 14-20371, 2017 Bankr. LEXIS 102, at \*12-13 (Bankr. E.D. Cal. Jan. 10, 2017) (appointment of trustee “consistent . . . with public policy” due to lack of interests adverse to the trust). Section 1129(a)(5)(A) of the Bankruptcy Code requires that the Debtors disclose “the identity and

individuals vested with authority to act as neutral fiduciaries to all Asbestos Claimants are inherently conflicted. The Asbestos Trust Agreement states that “[a] Trustee shall not act as an attorney for any person who holds a Channeled Asbestos Claim.”<sup>138</sup> However, the Trustees must obtain the consent of the TAC and FCR before taking *virtually any action* within their job descriptions. And the members of the TAC are *exactly what the Trustees are not allowed to be*: attorneys for Asbestos Claimants.

65. The five members of the TAC (Stephen J. Austin,<sup>139</sup> Lisa Nathanson Busch, Charles W. Branham, III, Matthew C. Clark, and Marcus E. Raichle, Jr.) are not independent because they have a vested interest in funding payments to their own clients. Their clients likely stand to receive large distributions from the Asbestos Trust, and their retention agreements provide them undisclosed contingency fees payable from their clients’ recoveries. This fact directly conflicts with their duty to serve “in a fiduciary capacity representing *all* holders of present Channeled Asbestos Claims.”<sup>140</sup> The beneficiaries of the Asbestos Trust should not have the right to influence the timing, procedures, and conditions under which they may receive a distribution from the Asbestos Trust, nor should they be permitted to represent Asbestos Claimants as a whole when they have vested interests in maximizing the recoveries of certain Asbestos Claimants to the detriment of others. This structure conflicts with the public policy underpinning section 524(g) of

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affiliations of any individual proposed to serve, after confirmation of the plan, as director, officer, or voting trustee of . . . a successor to the debtor under the plan” and that such appointments be “consistent . . . with public policy.” Given that the language of section 1129(a)(5) tracks closely with the language of section 1123(a)(7) — which allows a plan to contain only “provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee” (11 U.S.C. § 1123(a)(7)) — it follows that because the Plan fails to comply with section 1129(a)(5), it likewise fails to comply with section 1123(a)(7). *See In re Digerati Techs., Inc.*, No. 13-33264, 2014 Bankr. LEXIS 2352, at \*13-14 n.2 (Bankr. S.D. Tex. May 27, 2014).

<sup>138</sup> Asbestos Trust Agreement at § 4.9.

<sup>139</sup> Upon information and belief, the Plan Supplement’s reference to Stephen T. Austin is intended to refer to Stephen J. Austin of Stephen J. Austin LLC.

<sup>140</sup> Asbestos Trust Agreement at § 5.2 (emphasis added).



the Bankruptcy Code, which is to “use the broad equitable power of the bankruptcy court to resolve [asbestos liability] in a way that is fair for both present and future asbestos claimants” — in other words, *all* asbestos claimants.<sup>141</sup>

66. An email<sup>142</sup> from Mr. Stephen J. Austin to Ms. Kaye Courington (who has represented both Hopeman and Liberty in defense of Asbestos Claims prior to this bankruptcy case) exemplifies both the inherent conflict of the proposed governance structure as well as the improper collusion between Hopeman and the Asbestos Claimants to target Liberty. Mr. Austin opens the email by stating, “I write on behalf of my Louisiana clients.” Mr. Austin then urges Ms. Courington and Hopeman to refuse to consent to “any arrangement of any kind that prevents Louisiana Direct Action Claims against Liberty Mutual, regardless of how much Liberty Mutual offers,” because such an arrangement would benefit other Asbestos Claimants — such as Asbestos Claimants in Baltimore, whom Mr. Austin suspects are “placeholders” with “some very mild condition” — to the detriment of Mr. Austin’s claimants.

67. This email proves two things: (i) Mr. Austin is interested in advocating for the rights of his clients no matter the effect on other Asbestos Claimants, making him an inappropriate choice to sit on the TAC and represent Asbestos Claimants as a whole, and (ii) Mr. Austin’s belief that “no price” would be good enough to settle with Liberty exhibits a strong bias that renders him too conflicted to properly exercise a consent right.<sup>143</sup> The fact that Hopeman acquiesced to the demands of Mr. Austin, Mr. Mintz and other plaintiffs’ lawyers to include Liberty-specific

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<sup>141</sup> *In re Plant Insulation Co.*, 734 F.3d at 906.

<sup>142</sup> See E-mail from Stephen J. Austin, Partner at Stephen J. Austin, LLC, to Kaye Courington, CEO and Founding Member, Courington, Kiefer, Sommers, Marullo & Matherne (Jan. 14, 2025 at 9:53 p.m.) (attached hereto as **Exhibit R**).

<sup>143</sup> *Id.*

language in the Chubb Insurers Settlement Motion<sup>144</sup> and Certain Insurers' Settlement Motion<sup>145</sup> even though it viewed it as “unnecessary”<sup>146</sup> — and even though it contradicted the Committee’s own prior position<sup>147</sup> — begs the question: what other “unnecessary” language did Hopeman include in the Plan to buy the agreement of Asbestos Claimants? The obvious answer is naming Liberty as a Non-Settling Asbestos Insurer.<sup>148</sup>

68. Not only Mr. Austin, but *each* member of the TAC selected themselves. Mr. Lascell testified that Hopeman played *no role* in the selection of the TAC and that Mr. Lascell has never researched any of the individual members or taken any steps to ensure that they can represent all claimants fairly, despite the fact that Hopeman seeks to confirm a Plan that includes these TAC members.<sup>149</sup> Upon information and belief, the Committee was primarily responsible for drafting all documents associated with the Trust, and prepared the initial draft of the § 524(g) term sheet that laid the groundwork for the Plan.<sup>150</sup> Four out of the five members of the TAC are members of law firms that represent Committee members; however, the Asbestos Trust Agreement provides

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<sup>144</sup> *Motion of the Debtor for Entry of an Order (I) Approving the Settlement Agreement and Release Between the Debtor and the Chubb Insurers; (II) Approving The Assumption Of The Settlement Agreement And Release Between the Debtor and the Chubb Insurers; (III) Approving the Sale of Certain Insurance Policies; (IV) Issuing An Injunction Pursuant to the Sale of Certain Insurance Policies; and (V) Granting Related Relief* [Dkt. No. 9].

<sup>145</sup> *Motion of the Debtor for Entry of an Order (I) Approving the Settlement Agreement and Release Between the Debtor and Certain Settling Insurers; (II) Approving The Assumption Of The Settlement Agreement And Release Between the Debtor and Certain Settling Insurers; (III) Approving the Sale of Certain Insurance Policies; (IV) Issuing An Injunction Pursuant to the Sale of Certain Insurance Policies; and (V) Granting Related Relief* [Dkt. No. 53].

<sup>146</sup> See **Exhibit D** hereto.

<sup>147</sup> Previously, counsel to the Committee had asserted that, because the debtor was “not an operating business” and “was going to be liquidating,” it “really should be indifferent about what happens down in Louisiana at this stage”. Tr. of Sept. 10, 2024 Hr’g, at 130:4-9 (attached hereto as **Exhibit G**).

<sup>148</sup> See Plan at § 1.80. Mr. Lascell testified that the “Non-Settling Insurer” definition in the November term sheet was drafted by the Committee (and left unchanged by Hopeman in its comments), and that the parties asserting claims against Liberty (including the Louisiana direct action plaintiffs) “wanted to be sure to include Liberty as a non-settling insurer”. See Lascell Dep. at 62:21-63:2, 64:9-18, 70:1-11.

<sup>149</sup> See *id.* at 96:13-25, 97:1-16, 99:10-100:4.

<sup>150</sup> See **Exhibit E** hereto.

no information regarding how the TAC will determine whether it consents to a proposed action by the Trustees.<sup>151</sup> The TAC members have no apparent restriction from consenting to actions that benefit their clients and withholding consent for actions that do not.

69. Moreover, the Committee has refused to explain why the Litigation Trustee or the TAC members were selected for their roles, nor did the representative of the Committee indicate that any consideration was given to preventing actual or potential conflicts of interest when making these determinations.<sup>152</sup> Trey Branham would not disclose the names of individuals that the Committee interviewed to be the Litigation Trustee other than Mr. Richardson, incorrectly asserting that such facts are privileged communications.<sup>153</sup>

70. The Committee's silence is particularly instructive in light of the substantial financial incentive for Mr. Richardson as Litigation Trustee and director and officer of Reorganized Hopeman, on the one hand, and the members of the TAC, on the other hand, to collaborate with the goal of maximizing litigation and corresponding fees — whether or not their actions are in the best interest of their respective constituencies. The Asbestos Trust Agreement provides that the Litigation Trustee will earn 33% of any amount collected in litigation concerning Channeled Asbestos Claims.<sup>154</sup> However, the Plan and Asbestos Trust Agreement do not prevent the members of the TAC from serving as co-counsel with the Litigation Trustee, and Mr. Branham testified that such an occurrence was possible.<sup>155</sup> The conflicting fiduciary duties of these individuals' roles are obvious: (1) Mr. Richardson, as director and officer of Reorganized

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<sup>151</sup> See Asbestos Trust Agreement at § 5.7.

<sup>152</sup> See Branham Dep. at 72:23-74:16.

<sup>153</sup> See *id.* at 83:4-84:1.

<sup>154</sup> See Asbestos Trust Agreement at § 4.5(b).

<sup>155</sup> See Branham Dep. at 100:15-20.

Hopeman, owes a fiduciary duty to the reorganized Debtor; (2) Mr. Richardson, as Litigation Trustee, also owes a fiduciary duty to the Trust; and (3) the members of the TAC owe a fiduciary duty to current Asbestos Claimants (not just their clients). This structure is not in the best interest of the TAC's constituents but, rather, the best interests of Mr. Richardson and the TAC, who stand to earn potentially enormous fees through ongoing litigation against the Asbestos Insurers.

71. Finally, the Asbestos Trust Agreement contemplates that the “the Litigation Trustee may serve as a director and officer of the Reorganized Debtor.”<sup>156</sup> Stated differently, the Litigation Trustee has authority over the management and direction of both the Asbestos Trust and Reorganized Hopeman — the only entities that are required to cooperate with the Asbestos Insurers to satisfy the Asbestos Insurance Cooperation Obligations — while simultaneously being vested with the authority to prosecute lawsuits against those very Asbestos Insurers.<sup>157</sup> The governance structure creates an irreconcilable conflict which renders it impossible for the Trustees to cooperate with the Asbestos Insurers as required by the applicable Asbestos Insurance Policies.

72. Ultimately, this governance structure not only invites potential self-dealing and constitutes evidence of collusion in violation of section 1129(a)(3) of the Bankruptcy Code, but it also violates sections 1129(a)(5) and 1123(a)(7) of the Bankruptcy Code by being inconsistent with the policy purpose underpinning section 524(g). Thus, the Plan cannot be confirmed.

### **RESERVATION OF RIGHTS**

73. Liberty reserves the right to amend, supplement, alter, or modify the objections and points raised herein, including, without limitation, the right to join in, and adopt, any objections to the Plan filed by any other person or entity. Without limiting the generality of the foregoing,

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<sup>156</sup> *Id.* at § 4.9.

<sup>157</sup> *See* Plan at §§ 8.12, 8.13; Asbestos Trust Agreement at § 2.1(c)(xviii); TDP at § 5.2(a)(ii).

Liberty expressly reserves the right to further supplement its objections to the Plan regarding any amendments or modifications that may be made to the Plan or Plan Supplement following the filing of this Objection and expressly reserves the right to contest the jurisdiction of this Court to hear and determine any coverage dispute initiated by or involving the Debtor and/or the Asbestos Trust.

**WHEREFORE**, Liberty respectfully requests that this Court (i) deny confirmation of the Plan, (ii) dismiss the Debtor's case, require the Debtor to submit a liquidating Plan that is not predicated upon section 524(g) of the Bankruptcy Code, or convert this case to a case under Chapter 7 of the Bankruptcy Code, and (iii) grant any other relief that this Court deems to be just and proper.

**Dated:** July 7, 2025

Respectfully submitted,

/s/ Douglas M. Foley

Douglas M. Foley (Bar No. 34364)

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**CERTIFICATE OF SERVICE**

I hereby certify that on July 7, 2025, a true copy of the foregoing was filed with the Clerk of the Court using the CM/ECF system, which will send a notification of electronic filing (NEF) to all creditors and parties in interest.

*/s/ Douglas M. Foley* \_\_\_\_\_



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1 information.  
 2 Q I'm going to turn to the 12th page of  
 3 this document. Can you read that?  
 4 A Um...  
 5 Q Let me rephrase that. Is that large  
 6 enough for you to see the text of the document?  
 7 A Yes, it is.  
 8 Q [REDACTED]  
 9 [REDACTED]  
 10 [REDACTED]  
 11 [REDACTED]  
 12 [REDACTED]  
 13 [REDACTED]  
 14 [REDACTED]  
 15 [REDACTED]  
 16 [REDACTED]  
 17 [REDACTED]  
 18 [REDACTED]  
 19 [REDACTED]  
 20 [REDACTED]  
 21 MR. BROWN: Objection. Form of  
 22 the question.  
 23 A I'm going to repeat my last answer  
 24 that my knowledge of this document really only  
 25 comes from my conversations with counsel.

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1 Q Have you ever read this provision  
 2 before?  
 3 A I said that I believe I read this  
 4 document in the winter of this year.  
 5 Q But do you recall specifically  
 6 reading this provision?  
 7 A No, I don't.  
 8 Q Do you recall ever talking to anybody  
 9 other than your lawyers about this provision?  
 10 A No, I only would have talked to my  
 11 lawyers about this provision.  
 12 Q Do you understand that the reference  
 13 at the beginning of the first sentence, "Each  
 14 Party," that refers to Hopeman and Liberty  
 15 Mutual, correct?  
 16 MR. BROWN: Objection. Form of  
 17 the question.  
 18 A As I'm reading this right now, "Each  
 19 Party," yes, would -- I would -- yes, that  
 20 would refer to Hopeman Brothers and Liberty  
 21 Mutual.  
 22 Q And do you have any understanding of  
 23 what this provision means when it says that  
 24 [REDACTED]  
 25 [REDACTED]

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1 [REDACTED]  
 2 [REDACTED]  
 3 MR. BROWN: Objection to the  
 4 form of the question to the extent it calls for  
 5 a legal conclusion.  
 6 If you can answer it otherwise,  
 7 go ahead.  
 8 A I can't -- I can't make a legal  
 9 conclusion about this -- this provision. You  
 10 know, that's what the lawyers are here to do.  
 11 Q Do you know what the word "minimize"  
 12 means?  
 13 A Yes.  
 14 Q What does it mean?  
 15 A Make as small as possible.  
 16 Q While you were working at Hopeman,  
 17 did you take any actions to minimize claims  
 18 against Liberty Mutual?  
 19 MR. BROWN: Objection to the  
 20 form of the question.  
 21 A Did I personally? No.  
 22 Q Did Hopeman take any actions to  
 23 minimize claims against Liberty Mutual?  
 24 MR. BROWN: Objection to the  
 25 form of the question.

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1 A Hopeman Brothers defended itself  
 2 against -- against asbestos claims and tried  
 3 to -- would try to minimize those -- those  
 4 claims against it.  
 5 Q In connection with the bankruptcy  
 6 proceedings, has Hopeman taken any actions to  
 7 minimize the possibility of claims against  
 8 Liberty Mutual?  
 9 MR. BROWN: Again, objection to  
 10 the form of the question.  
 11 You can answer if you understand  
 12 it.  
 13 A I don't think I -- unfortunately, I  
 14 can't answer that question without drawing a  
 15 legal conclusion, and I'm not a lawyer. I'm  
 16 unable to do that.  
 17 Q Well, you said that "minimize" means  
 18 make as small as possible, right?  
 19 A That's correct.  
 20 Q And you said you've been involved in  
 21 Hopeman's bankruptcy proceedings, correct?  
 22 A Correct.  
 23 Q You've been kept abreast of the  
 24 developments, right?  
 25 A Correct.



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1 Q And you've reviewed the key  
2 bankruptcy documents before they've been filed?  
3 A Correct.  
4 Q And you've approved those documents,  
5 right?  
6 A That's correct.  
7 Q In the course of your work in  
8 connection with the bankruptcy proceedings, has  
9 Hopeman taken any action to ensure that there  
10 would be as few claims as possible against  
11 Liberty Mutual?  
12 MR. BROWN: Objection to the  
13 form of the question.  
14 A One thing that Hopeman Brothers did  
15 was file a motion for the extension of the stay  
16 against any proceedings, and to include -- and  
17 we asked to include Liberty Mutual in that  
18 stay.  
19 Q And other than the request for a stay  
20 that included Liberty Mutual, can you think of  
21 any other actions that Hopeman took to ensure  
22 there would be as few claims as possible  
23 asserted against Liberty Mutual?  
24 MR. BROWN: Objection again to  
25 the form of the question.

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1 A No, I can't.  
2 Q Do you remember when Hopeman declared  
3 bankruptcy initially?  
4 A Almost exactly a year ago today,  
5 June 30th, a year and one day.  
6 Q And at that time, Hopeman had no  
7 ongoing business, right?  
8 A That's correct.  
9 Q What was Hopeman's initial strategy,  
10 as of declaring bankruptcy, in terms of where  
11 to go next?  
12 Did Hopeman -- let me ask a  
13 different question.  
14 Was Hopeman seeking to liquidate  
15 or was Hopeman seeking to continue on as a  
16 business after bankruptcy?  
17 A Initially, Hopeman was seeking to  
18 liquidate.  
19 Q Why?  
20 MR. BROWN: Let me object to the  
21 extent it calls for legal advice. But  
22 otherwise, Chris, you can impart any facts you  
23 know without referring to legal advice.  
24 A Hopeman looked to liquidate after  
25 conversations with our counsel, and evaluated

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1 options and choosing the one that we thought  
2 made the most sense at the time.  
3 Q And why do you -- why do you think  
4 that -- or why did Hopeman think that  
5 liquidation made the most sense at the time?  
6 A At the time, we believed that it led  
7 to an efficient way to wind down Hopeman  
8 Brothers and provide claimants with a process  
9 to continue to file their claims against  
10 whatever remaining assets Hopeman Brothers had.  
11 Q And did you think that liquidation  
12 would be best for the claimants against Hopeman  
13 at that time when Hopeman filed for bankruptcy?  
14 A Yes.  
15 Q Why?  
16 A I think it's what I just said,  
17 because it established a method for claimants  
18 to continue to file their claims against  
19 whatever assets Hopeman had left.  
20 Q But why would liquidation be the best  
21 way to accomplish that?  
22 MR. BROWN: I'm going to object  
23 again to the extent it calls for advice given  
24 by counsel.  
25 If you can answer otherwise,

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1 Chris, go ahead.  
2 THE DEPONENT: Thanks, Tyler.  
3 A I was just trying to think if there's  
4 a way I could answer, and the -- we had those  
5 conversations with counsel, and that's --  
6 that's what we chose.  
7 Q Did you have any concerns that if  
8 Hopeman didn't liquidate and instead  
9 effectively restructured, that it would cause a  
10 race to the courthouse amongst different  
11 claimants?  
12 MR. BROWN: Same objection,  
13 Chris. If you can answer it without imparting  
14 legal advice you heard from counsel, you can  
15 answer.  
16 A It's the -- it's the same answer  
17 that -- it would all be based on -- on  
18 conversations I had with counsel.  
19 Q Was the fact that Hopeman had no  
20 ongoing business at the time that it filed for  
21 bankruptcy a relevant factor in deciding  
22 whether or not to pursue a liquidation trust as  
23 opposed to a restructuring?  
24 MR. BROWN: Same objection,  
25 Chris, but if you can answer it, go ahead.

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1 business."  
2 Do you see that?  
3 A I do, yes.  
4 Q What's your understanding of the last  
5 part of that sentence, i.e. --  
6 MR. BROWN: Go ahead, Kevin.  
7 Q -- "if a confirmable plan can be  
8 proposed given that Hopeman has no ongoing  
9 business"?  
10 MR. BROWN: I object to the form  
11 of the question. This isn't his writing.  
12 But, Chris, if you have some  
13 understanding about it without imparting  
14 attorney-client information, go ahead.  
15 A To me, that's a legal question.  
16 If -- if -- if it's a confirmable -- if a  
17 confirmable plan can be proposed given Hopeman  
18 has no ongoing business to me is a legal  
19 question that should be handled by my lawyers.  
20 Q It's one of the topics of the  
21 deposition notice that Liberty propounded,  
22 right?  
23 MR. BROWN: It is, Kevin, and it  
24 is also the subject of what my comments were  
25 with the court last week, and the court said he

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1 knows that good counsel will know where to  
2 steer clear of attorney-client information.  
3 So if you can ask a question  
4 that draws a lay opinion on this, that's fine.  
5 BY MR. FINNERTY:  
6 Q Independent of your discussions with  
7 counsel, do you have any understanding of what  
8 role an ongoing business has under a 524(g)  
9 structure?  
10 A My understanding is that some ongoing  
11 business is required under the 524(g)  
12 structure.  
13 Q And as of November 26, 2024, Hopeman  
14 had no ongoing business, right?  
15 A That's correct.  
16 Q And do you recall discussions with  
17 anyone other than your lawyers about whether  
18 the lack of an ongoing business as of  
19 November 2024 would raise an issue that needs  
20 to be vetted with respect to a 524(g)  
21 structure?  
22 A No, I don't.  
23 Q Leaving aside discussions with  
24 counsel, were you personally concerned that a  
25 524(g) structure wouldn't be confirmable in

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1 light of the lack of ongoing business by  
2 Hopeman?  
3 A I can't answer that without -- you  
4 know, I can't leave aside the discussions  
5 with -- with counsel. Any concerns, if I had  
6 any, would have stemmed from discussions with  
7 counsel.  
8 Q Does Hopeman have an ongoing business  
9 right now?  
10 A No.  
11 Q If we look at the -- so if you read  
12 Mr. Rovira's email, he's attaching a revised  
13 term sheet; is that fair?  
14 A Uh --  
15 Q You can take your time to read it if  
16 you need to.  
17 A Okay.  
18 (The deponent read the  
19 document.)  
20 A It appears that way. I don't see the  
21 attachment on my screen to know that he -- he  
22 attached something there.  
23 Q I can scroll down for you.  
24 A Okay. I mean, I -- yeah.  
25 Q So it seems that Mr. Rovira revised

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1 the term sheet that he received in the email  
2 from the committee and sent it back to the  
3 committee; is that right?  
4 A That's what it seemed he was doing in  
5 his email. What's on my screen now looks like  
6 the same -- the same term sheet that you showed  
7 me just a few minutes ago that the committee  
8 sent.  
9 I don't know that this is a  
10 revised term sheet or not.  
11 Q It does look similar. And if we were  
12 in person, I could show you the two of them  
13 together.  
14 I can represent that this was  
15 the attachment to Mr. Rovira's email and that  
16 it is not identical to the term sheet that Jeff  
17 Liesemer sent.  
18 If you want to do a closer look,  
19 we could, but --  
20 A No, that's fine for my purposes, just  
21 as long as we understand that -- all I'm saying  
22 right now is that it looks the same, but -- and  
23 Joseph's email appeared to say that he was  
24 going to send an attachment, but...  
25 Q If we scroll down to the Definitions

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1 again, and I can show you just as one example,  
 2 if you do want to compare them, there's this  
 3 gap here between 1 and 2. I don't think that  
 4 was in the version we previously looked at that  
 5 Jeff Liesemer sent, indicating this is a  
 6 different document.  
 7 Be happy to show it to you if  
 8 you want to, but if you want to move on, that's  
 9 fine, too.  
 10 A I'm happy to move on.  
 11 Q So if we look at the defined terms,  
 12 again, Definition 11, Non-Settling Insurer  
 13 says, "'Non-Settling Insurer' means any  
 14 Asbestos Insurer that is not a Settling  
 15 Insurer. For the avoidance of doubt,  
 16 notwithstanding any provision herein to the  
 17 contrary, the term 'Non-Settling Insurer' shall  
 18 include Liberty Mutual Insurance Company."  
 19 Do you see that?  
 20 A I do, yes.  
 21 Q So in the draft that Mr. Rovira sent  
 22 back to the committee, Hopeman didn't modify  
 23 this proposed definition at all; is that right?  
 24 A It doesn't appear that way, no.  
 25 Q It accepted the definition that was

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1 in the draft sent by the committee, correct?  
 2 A It appears that way, yes.  
 3 Q And do you know whether Hopeman  
 4 pushed back at all on the inclusion of this  
 5 definition in the term sheet?  
 6 A I was not a part of the  
 7 back-and-forth conversations between the  
 8 committee and my counsel.  
 9 Q Do you have any understanding of how  
 10 the committee views Liberty Mutual with respect  
 11 to the claims possessed by the claimants?  
 12 A Could you -- could you repeat that?  
 13 Sorry.  
 14 Q Sure.  
 15 Do you have any understanding of  
 16 how the committee views Liberty Mutual with  
 17 respect to recovering amounts on behalf of the  
 18 claimants?  
 19 A No, I haven't had any -- any  
 20 conversations with the committee about that. I  
 21 haven't had any conversations with the  
 22 committee, period.  
 23 Q And leaving aside any conversations  
 24 with the committee, do you know whether the  
 25 committee views Liberty Mutual as a source of

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1 funding for asbestos claims?  
 2 MR. BROWN: Object to the form  
 3 of the question to the extent it calls for any  
 4 legal advice you may have given.  
 5 Beyond that, you can answer.  
 6 A I can't answer without any --  
 7 revealing any conversation I had with counsel.  
 8 I wouldn't know any of that independently.  
 9 Q Do you have any understanding of why  
 10 this term sheet includes this definition of  
 11 "non-settling insurer" which specifically  
 12 mentions Liberty Mutual?  
 13 A I believe it's similar to the answer  
 14 that I gave yesterday -- excuse me, not  
 15 yesterday, earlier. From the outset of the  
 16 proceedings, certain Louisiana plaintiffs  
 17 wanted to include that to avoid any confusion  
 18 in the documents.  
 19 Q And is it your understanding that  
 20 those Louisiana claimants want to assert claims  
 21 or have asserted claims against Liberty Mutual?  
 22 A Plaintiffs have asserted claims  
 23 against Liberty Mutual as an insurer for Wayne  
 24 for some time.  
 25 Q And do you have any understanding

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1 whether Louisiana claimants intend to assert  
 2 claims against Liberty Mutual in the future?  
 3 MR. BROWN: Objection to the  
 4 form to the extent it calls for speculation.  
 5 If you can answer it, go ahead.  
 6 A I can't speculate on what they will  
 7 do in the future. I know they have asserted  
 8 claims -- certain plaintiffs have asserted  
 9 claims in the bankruptcy process.  
 10 Q Do you have any reason to believe  
 11 that the committee wishes to reduce claims  
 12 against Liberty Mutual?  
 13 MR. BROWN: Objection to the  
 14 form of the question.  
 15 A Could you -- could you repeat or  
 16 rephrase that -- that question?  
 17 Q Sure, I'll repeat it.  
 18 Do you have any reason to  
 19 believe that the committee wishes to reduce  
 20 claims against Liberty Mutual?  
 21 MR. BROWN: Again, objection to  
 22 the form of the question. If you can answer  
 23 that without imparting attorney advice, go  
 24 ahead.  
 25 A I can't answer -- answer that

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1 I described the question of the  
 2 assignment of rights and that the same parties  
 3 that are asserting claims against -- that wish  
 4 to assert claims against Liberty wanted to be  
 5 sure to include Liberty as a non-settling  
 6 insurer to avoid -- to avoid doubt so that they  
 7 could assert those claims if they had any.  
 8 Q And which parties wish to assert  
 9 claims against Liberty Mutual?  
 10 A The parties that I'm aware of are  
 11 Louisiana plaintiffs.  
 12 Q And did your siblings react to that  
 13 at all?  
 14 A Not to that specifically.  
 15 Q How did you describe -- I think you  
 16 testified to the question of assignment of  
 17 rights.  
 18 How did you describe that in  
 19 your conversation with your siblings?  
 20 A I think I already answered it. I  
 21 said -- I said to them what Hopeman's intent  
 22 always has been has been to assign whatever  
 23 insurance right we have, if any, to the -- to  
 24 the new Asbestos Trust.  
 25 Q And did you say that although Hopeman

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1 doesn't have rights in Liberty Mutual's  
 2 policies, it's -- through the plan it's  
 3 assigning those rights?  
 4 A No. I said that if Hopeman had any  
 5 rights, then they would be assigned, but there  
 6 would be a question for the lawyers to  
 7 determine if Hopeman did, in fact, have any  
 8 rights.  
 9 Q And I think at the beginning of your  
 10 description of this conversation, you said you  
 11 told your siblings some parties believe that  
 12 Hopeman has rights under the Liberty policies.  
 13 Is that true?  
 14 A Yes, that's true.  
 15 Q Which parties believe that Hopeman  
 16 has -- have rights under the Liberty policies?  
 17 A As far as I know, it's Louisiana  
 18 claimants.  
 19 Q And what have Louisiana claimants  
 20 said about the question whether Hopeman has  
 21 rights under the Liberty policies?  
 22 MR. BROWN: Let me object to the  
 23 extent it calls for any legal advice given.  
 24 But if you can answer it  
 25 independent of that, Chris, go ahead.

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1 MR. FINNERTY: Tyler, I don't  
 2 think the statements that Louisiana claimants  
 3 have made are legal advice to Hopeman.  
 4 MR. BROWN: Again, I stand on  
 5 the objection. If he can answer it  
 6 independently of what he's been told by  
 7 counsel, then he can answer.  
 8 MR. FINNERTY: I don't -- I  
 9 disagree with --  
 10 MR. BROWN: I'm not arguing. I  
 11 object to the form. He can answer if he can,  
 12 independently.  
 13 A I don't know the specific arguments  
 14 that -- that Louisiana plaintiffs have -- have  
 15 made.  
 16 BY MR. FINNERTY:  
 17 Q You've just been told that they have  
 18 said that they believe Hopeman has rights in  
 19 the Liberty policies?  
 20 A That's correct.  
 21 MR. BROWN: Objection to the  
 22 form of the question to the extent it calls for  
 23 legal advice provided to the witness.  
 24 Q When did this conversation with your  
 25 siblings take place, to the best of your

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1 knowledge?  
 2 A A few weeks ago.  
 3 Q So like three weeks ago or more  
 4 recently?  
 5 A I don't have a calendar in front of  
 6 me, but it would have been early to mid-June.  
 7 Q Was this purely a social engagement  
 8 or was it sort of an informal meeting on behalf  
 9 of Hopeman's leadership?  
 10 A It would be -- I would describe it as  
 11 an informal meeting. I see my brother and  
 12 sister pretty regularly, and as such, we -- the  
 13 meetings we have about Hopeman Brothers are  
 14 informal in nature.  
 15 Q During this conversation, did you  
 16 explain that under the -- let me rephrase that.  
 17 Did you mention the 2003  
 18 indemnification agreement during this  
 19 conversation?  
 20 A No.  
 21 Q [REDACTED]  
 22 [REDACTED]  
 23 [REDACTED]  
 24 [REDACTED]  
 25 MR. BROWN: Objection to the

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1 form of the question.  
 2 Go ahead, you can answer, Chris.  
 3 A That's correct.  
 4 Q Did you say anything else during the  
 5 course of this conversation concerning the  
 6 plan?  
 7 A I described the intent and the  
 8 purpose of the plan.  
 9 Q What'd you say?  
 10 A I said that it was a 524(g) plan and  
 11 that that plan would -- would set up a  
 12 Reorganized Hopeman Brothers and an Asbestos  
 13 Trust that would own the shares in the  
 14 Reorganized Hopeman Brothers. Claimants would  
 15 be able to file claims against that reorganized  
 16 Hopeman Brothers.  
 17 If at some point the trust had  
 18 enough assets in it, then there would be a  
 19 procedure that would be set up to -- to  
 20 distribute -- distribute recoveries outside of  
 21 the tort system directly to claimants, and that  
 22 this would last for as long as -- without any  
 23 set end date except that if the plan is and we  
 24 get to an effective date, on that effective  
 25 date that the three of us, my brother and

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1 sister and I, would be -- would be no longer  
 2 involved with Hopeman Brothers.  
 3 Q What did you specifically say about  
 4 the fact that the proposed plan is a 524(g)  
 5 plan?  
 6 A I'm -- as you know, I'm not a  
 7 bankruptcy lawyer, so there -- I don't have a  
 8 lot of the -- you know, I don't have a lot of  
 9 background to give. And it was a pretty  
 10 high-level conversation. Said it's a 524(g)  
 11 plan, which is a carve-out of some bankruptcy  
 12 provision designed for asbestos companies.  
 13 Q Is that everything you said?  
 14 Did you -- let me ask a  
 15 different question.  
 16 Did you identify any potential  
 17 hurdles with confirmation of the 524(g) plan?  
 18 A I -- I did point out the ongoing  
 19 business requirement and said that the -- the  
 20 committee has identified an investment that --  
 21 that we'll be making -- that the -- that the  
 22 Reorganized Hopeman will be making -- excuse  
 23 me, the Asbestos Trust will be making on the  
 24 effective date of the plan.  
 25 Q When you pointed out the ongoing

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1 business requirement, do you remember what you  
 2 said specifically?  
 3 A I said that there's an ongoing  
 4 business requirement. Said there's an ongoing  
 5 business requirement and -- and this is what my  
 6 counsel on the committee have come up with to  
 7 satisfy that requirement.  
 8 Q And how did you describe the  
 9 investment opportunity identified by the  
 10 committee?  
 11 A Said it was a -- a -- a passive real  
 12 estate investment and -- and then that was --  
 13 that was the extent of it.  
 14 Q What did your siblings say in  
 15 response to the discussion concerning the  
 16 ongoing business requirement?  
 17 A I don't think they had -- I don't  
 18 remember a reaction. I think it was part of me  
 19 explaining where we were in the process and --  
 20 and the -- and the plan, and they accepted it  
 21 as -- as such.  
 22 Q Did anybody discuss whether the  
 23 proposed passive real estate investment would  
 24 entail any work or obligations from you or your  
 25 siblings?

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1 MR. BROWN: Let me object to the  
 2 form of the question.  
 3 Are you referring to the  
 4 conversation, Kevin, with the -- is that all  
 5 you're referring to?  
 6 MR. FINNERTY: Yes.  
 7 Q I'm still referring to your  
 8 conversation with your siblings.  
 9 So during that discussion, you  
 10 described the passive investment -- the passive  
 11 real estate investment, right?  
 12 A Correct.  
 13 Q And was there any further discussion  
 14 concerning whether you or your siblings would  
 15 have to do anything in connection with that  
 16 passive real estate investment?  
 17 A No. As I said, the only discussion  
 18 about future work was that on the effective  
 19 date, we would be resigning from our positions  
 20 at Hopeman Brothers.  
 21 Q Do you know who will be the director  
 22 of the Reorganized Hopeman?  
 23 A I've seen the name, but I don't  
 24 recall it at the moment.  
 25 Q Do you know whether he has any

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1 experience with passive real estate  
 2 investments?  
 3 A I don't know.  
 4 Q What did you say about your  
 5 deposition during this conversation with your  
 6 siblings?  
 7 A I said that I was -- I was nervous  
 8 about it. I thought it would be a long day and  
 9 wanted to be sure that I had a lot of -- lot of  
 10 facts on -- a lot of legal documents read and  
 11 understood so that I can answer the questions  
 12 to the best of my ability.  
 13 Q I appreciate that.  
 14 What did your siblings say in  
 15 response to that?  
 16 A They said thank you for all you've  
 17 been doing with Hopeman Brothers and good luck  
 18 and we're glad you're doing it and not us.  
 19 Something along those lines.  
 20 (Laughter.)  
 21 Q Very fair.  
 22 Other than what you've testified  
 23 to, did anybody say anything else about Liberty  
 24 Mutual during this conversation with your  
 25 siblings?

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1 A No.  
 2 Q And have you described everything  
 3 discussed concerning the plan during this  
 4 conversation with your siblings?  
 5 A I think I have, yes.  
 6 Q When was the last sort of informal  
 7 Hopeman meeting before this one that was in  
 8 early to mid-June?  
 9 A Oh, the last before --  
 10 Q Yeah, the -- yeah, do you -- the most  
 11 recent.  
 12 A It would have been -- I'm sorry. It  
 13 would have -- I believe that it was in March or  
 14 April. End of -- end of March, maybe,  
 15 mid-March.  
 16 Q Do you know whether he has any  
 17 experience with passive real estate  
 18 investments?  
 19 A Just trying -- trying to make sure  
 20 I'm thinking about the -- the right time.  
 21 Around that -- that time frame, I would have --  
 22 I believe I gave them an update on -- I  
 23 don't -- I'm not sure if we had -- if we had a  
 24 final term sheet at that time or if we were  
 25 just -- if we -- Hopeman was close -- close to

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1 a term sheet that would -- the term sheet that  
 2 eventually led to the 524(g) plan.  
 3 But it would have been an update  
 4 on -- on -- on that process.  
 5 Q Have your siblings kept up to date  
 6 with the bankruptcy proceedings aside from  
 7 these meetings that you have with them?  
 8 A No, they haven't. And, then again,  
 9 it's a -- they're typically pretty informal  
 10 meetings. Might be too strong of a word, but  
 11 no, they -- they really haven't.  
 12 I've been -- I've been involved  
 13 primarily and almost exclusively except for  
 14 updating them along the way.  
 15 Q And approximately how many of these  
 16 informal meetings or get-togethers have you had  
 17 since Hopeman filed for bankruptcy?  
 18 A It's a hard question to answer,  
 19 because we see each other. We try to see each  
 20 other once a week for dinner. Sometimes  
 21 they'll say, "Has anything happened with the  
 22 Hopeman bankruptcy case?" And I'll say, "No,  
 23 not much." And that will be the end of it.  
 24 So I don't know if you'd want  
 25 that to count in terms of a Hopeman informal

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1 meeting, or times when I've updated them, the  
 2 way that I've tried to update them along the  
 3 way as we've hit milestones in -- in the case.  
 4 So in mid-March, as we were  
 5 working on that term sheet, working to come to  
 6 a conclusion of it, I made a point to update  
 7 them.  
 8 And then again in -- in early  
 9 June, would have been to sort of -- as we're  
 10 nearing a confirmation hearing, hopefully to  
 11 update them again there.  
 12 Q Have you ever discussed Liberty  
 13 Mutual at any other of these meetings other  
 14 than the most recent one in June?  
 15 A Not as it's related to bankruptcy.  
 16 If we went back -- back to 2016-2017, I'm sure  
 17 that I discussed Liberty Mutual as I was  
 18 describing to them assets that -- that Hopeman  
 19 Brothers had, and sort of the general picture  
 20 of -- of Hopeman Brothers.  
 21 But I don't recall beyond --  
 22 beyond that.  
 23 Q And in -- just to follow up with one  
 24 point, in connection with the bankruptcy  
 25 proceedings, so starting, we'll say, June 2024,

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1 you don't recall ever discussing Liberty, aside  
 2 from the most recent discussion?  
 3 A No, I don't recall.  
 4 Q And is it that you don't recall one  
 5 way or another or you don't think that you did  
 6 discuss Liberty during those conversations?  
 7 A I don't recall one way or the other.  
 8 I may have. I know that Liberty has appeared  
 9 in various hearings, and I may have mentioned  
 10 that, but -- but I don't recall any specific  
 11 conversation about Liberty.  
 12 Q Do you recall any specific  
 13 conversation about the ongoing business  
 14 requirement under 524(g)?  
 15 A Only -- only what I've already said,  
 16 that it existed and that -- that the  
 17 requirement existed and -- and this was what my  
 18 counsel and the creditor committee recommended  
 19 as a way to satisfy the -- that requirement.  
 20 Q And I guess my question was a little  
 21 different.  
 22 Have you had that type of  
 23 discussion during any of these informal  
 24 meetings other than the most recent one in  
 25 June?

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1 A When we discussed the term sheet in  
 2 March, I believe we would have discussed the  
 3 ongoing business requirement in a similar --  
 4 similar vein at that time, but I don't recall  
 5 that specific conversation.  
 6 Q Does -- aside from the meetings with  
 7 your siblings, are there any other meetings  
 8 concerning the management of Hopeman that have  
 9 taken place during the bankruptcy proceedings?  
 10 A No.  
 11 Q Do you ever send your siblings emails  
 12 concerning the bankruptcy proceedings?  
 13 A Not -- not very often. I can't say  
 14 "no" definitively, but if I have, it's a --  
 15 it's a rare occurrence.  
 16 Q Did you search for any of those  
 17 emails in response to the discovery requests  
 18 from Liberty Mutual or Chubb?  
 19 A I did. I sent all my emails that had  
 20 any relation to Hopeman Brothers to -- to my  
 21 counsel so that they could reply to that  
 22 request for production appropriately.  
 23 Q Who made the decision that you and  
 24 your siblings wouldn't stay on as directors of  
 25 Hopeman after the -- after it's reorganized?

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1 A From -- from the outset, my siblings  
 2 and I did not want to stay on with Hopeman  
 3 Brothers. That was -- that was one of our  
 4 goals going in, to have some finality for us.  
 5 Q And why didn't you want to stay on,  
 6 understanding finality, but can you expand on  
 7 that?  
 8 A We only got involved with Hopeman  
 9 Brothers because my father passed away in 2016.  
 10 That's when we -- that's when we stepped up to  
 11 continue the stewardship of the company that --  
 12 and we never intended to do it forever. That's  
 13 why my brother and sister are not -- are less  
 14 involved than -- or not very involved at all.  
 15 As I've testified, there was a  
 16 gap in my employment, and I had time to do it,  
 17 but this isn't anything that I'm -- that I'm  
 18 interested in doing longer -- longer than I  
 19 have.  
 20 There's a lot of legal issues.  
 21 I think it's probably better for a lawyer to be  
 22 in charge to address the issues more  
 23 effectively than I can.  
 24 Q And when you testified to the desire  
 25 to achieve finality, what do you mean by

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1 "finality"?  
 2 A I mean that we would like to leave --  
 3 leave Hopeman Brothers and leave it -- leave it  
 4 all behind.  
 5 Q And just be done with it? Is that  
 6 fair?  
 7 A That's fair.  
 8 Q And Hopeman as it existed will be  
 9 finished, right?  
 10 MR. BROWN: Objection to the  
 11 form of the question.  
 12 A There -- if the plan is confirmed,  
 13 there will be a reorganized Hopeman Brothers.  
 14 That will be different than the existing  
 15 Hopeman Brothers, yes.  
 16 Q We talked earlier about the proposed  
 17 director of Reorganized Hopeman. You couldn't  
 18 remember his name.  
 19 Does Matt Richardson ring a  
 20 bell?  
 21 A It does, yes.  
 22 Q Have you met him before?  
 23 A Nope.  
 24 Q Have you ever communicated with him  
 25 at all?

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1 A No.  
2 Q Do you know his background?  
3 A No.  
4 Q Do you know anything about him?  
5 A No.  
6 Q It's been about 45 minutes. Are you  
7 good to keep going or do you need a break?  
8 MR. BROWN: How much time do you  
9 think you have left?  
10 MR. FINNERTY: In total?  
11 MR. BROWN: Yeah.  
12 MR. FINNERTY: Probably --  
13 probably about an hour and a half.  
14 MR. BROWN: Okay. All right.  
15 Let's take a break, then.  
16 MR. FINNERTY: All right.  
17 You want to try to keep it to a  
18 half an hour? Does that work for everyone? We  
19 can grab lunch but not take too much time?  
20 THE DEPONENT: Sure, sounds  
21 good.  
22 MR. BROWN: That works for me.  
23 MR. FINNERTY: Okay. So be back  
24 at 12:35?  
25 MR. BROWN: Sounds good. Thank

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1 you.  
2 MR. FINNERTY: All right.  
3 (Lunch recess.)  
4 BY MR. FINNERTY:  
5 Q I am going to mark another exhibit,  
6 Mr. Lascell.  
7 MR. FINNERTY: This will be 124.  
8 (Exhibit 124 marked for  
9 identification.)  
10 BY MR. FINNERTY:  
11 Q The top is an email from Joseph  
12 Rovira to Ms. Santelle dated October 24, 2024;  
13 do you see that?  
14 A I do, yes.  
15 Q Does this look familiar to you? I  
16 can scroll through it if that will help.  
17 A I wasn't on the email, so I've never  
18 seen it before, so it does not look familiar to  
19 me.  
20 Q Okay.  
21 And you didn't review this in  
22 preparation for this deposition today?  
23 A No, I didn't.  
24 Q Okay.  
25 So I'm going to scroll to the

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1 bottom here, and the first email in the chain  
2 is an email from Joe Rovira dated October 22,  
3 2024; do you see that?  
4 A I do, yes.  
5 Q And in the second sentence -- and  
6 this is to Chubb's lawyers; do you see that?  
7 A Yes.  
8 Q And he says, "Recently we were  
9 contacted by Mark Mintz at Jones Walker."  
10 Do you know who Mark Mintz is?  
11 A The name rings a bell, but no, I  
12 don't.  
13 Q "As you may recall, Mark represents a  
14 group of plaintiffs in Louisiana and is one of  
15 the groups that actively contested the  
16 extension of the stay motion."  
17 Does that ring a bell as to who  
18 he is?  
19 A It does, yes.  
20 Q And if you look -- you can read the  
21 whole thing, but Mr. Mintz is proposing the  
22 addition of these two paragraphs into the Chubb  
23 Insurers Settlement Motion and the Certain  
24 Settling Insurers Settlement Motion; do you see  
25 that?

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1 A I do, yes.  
2 Q I'll give you a moment to read  
3 through it.  
4 (The deponent read the  
5 document.)  
6 A Okay.  
7 Q So just taking the first paragraph,  
8 for example, that Mark Mintz proposed, it says,  
9 "Notwithstanding any provision in this Court  
10 Order or the Chubb Insurer Settlement  
11 Agreement, the relief provided herein,  
12 including, but not limited to, any releases and  
13 injunctive relief, shall not apply in favor of  
14 Liberty Mutual Insurance Company or any of its  
15 affiliates, subsidiaries, or related entities.  
16 Liberty Mutual Insurance Company shall not be  
17 considered a beneficiary of this Court Order or  
18 the Chubb Insurer Settlement Agreement and  
19 shall have no rights or entitlements arising  
20 therefrom."  
21 Do you see that?  
22 A I do see it, yes.  
23 Q Do you have any understanding as to  
24 why Mark Mintz would have wanted this language  
25 in the Chubb Insurers Settlement Motion?



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1 question for him regarding his knowledge  
2 independent of just looking at this email,  
3 which he told you this is the first time he's  
4 seen it.  
5 Q You can still answer.  
6 A I can read this sentence here. It  
7 says, "While we agree it's unnecessary, it's  
8 also innocuous and if adding gets one group of  
9 plaintiffs on board, it's well worth it."  
10 Q So you agree that Hopeman in this one  
11 instance agreed to add language it believed was  
12 unnecessary concerning Liberty Mutual into a  
13 filing with the court?  
14 MR. BROWN: Objection. Asked  
15 and answered.  
16 Q You can answer again.  
17 A All -- all I can -- all I can do is  
18 read the sentence. You know, I haven't -- I  
19 haven't seen this before. I don't know  
20 where -- where it fits and, you know, the words  
21 of the sentence stand on their own.  
22 Q Okay. I'll stop sharing that.  
23 Are you familiar with the  
24 Asbestos Trust Agreement?  
25 A Yes.

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1 Q Did you participate in drafting it?  
2 A Not in the drafting, no.  
3 Q Did you provide any input while it  
4 was being drafted?  
5 A My counsel would -- kept me up to  
6 date with -- with changes, but I don't -- I  
7 don't believe I provided any specific input.  
8 Q Is it your understanding that the  
9 committee's counsel drafted the Asbestos Trust  
10 Agreement?  
11 A Again, I'm not sure who -- who -- who  
12 drafted that initially, but it's my  
13 understanding that the committee counsel, along  
14 with my counsel, would have exchanged drafts  
15 and edits back and forth.  
16 Q Did you review the Asbestos Trust  
17 Agreement before it was filed as part of the  
18 plan supplement?  
19 A Yes.  
20 Q Do you know what the TAC is, Trust  
21 Advisory Committee?  
22 A Yes.  
23 Q What is it?  
24 A It's a group that -- the Trust  
25 Advisory Committee, along with the FCR, the

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1 Future Claims Representative, and the Asbestos  
2 Trust trustee will -- will together manage  
3 the -- manage the Asbestos Trust.  
4 Q Do you know whether the TAC owes any  
5 duties to claimants?  
6 MR. BROWN: I'm going to object  
7 to the extent it calls for a legal conclusion.  
8 If you have independent  
9 knowledge, you can answer that.  
10 A I believe what it says in the plan is  
11 the TAC has a fiduciary responsibility to  
12 current claimants.  
13 Q Do you know who the members of the  
14 TAC are?  
15 A I've -- I've seen the names, but I  
16 couldn't list them for you now.  
17 Q Do you know how they were selected?  
18 A Not specifically, no.  
19 Q Do you know generally how they were  
20 selected?  
21 A I believe the -- the creditor  
22 committee suggested them.  
23 Q And do you know any of the factors  
24 the creditor committee considered before  
25 suggesting them?

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1 A No, I don't.  
2 Q Did Hopeman play any role in the  
3 selection of the TAC members?  
4 A No.  
5 Q Did Hopeman have the ability to  
6 reject any of the proposed TAC members?  
7 MR. BROWN: Object to the extent  
8 it calls for a legal conclusion.  
9 Otherwise, you can answer it.  
10 A I don't know if Hopeman had that  
11 ability or not. I -- I imagine there could  
12 have been some discussion that if the  
13 committee -- if the committee proposed a name  
14 that my advisors were not comfortable with, but  
15 I don't know exactly how that process would  
16 have worked.  
17 Q Do you know under what circumstances  
18 your advisors wouldn't be comfortable with a  
19 proposed TAC member?  
20 MR. BROWN: Objection to the  
21 form of the question.  
22 A No, I don't.  
23 Q If a TAC member wasn't able to  
24 represent all claimants fairly, is it Hopeman's  
25 view that that person should not be a member of

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1 the TAC?  
2 MR. BROWN: Same objection.  
3 To the extent you can answer  
4 without imparting any legal advice you've  
5 gotten.  
6 A Could you repeat the question?  
7 Q Sure.  
8 My transcript isn't working, so  
9 it might not be exact, but I'll try.  
10 A That's fine.  
11 Q If a TAC member was unable to  
12 represent the interests of all claimants  
13 fairly, is it Hopeman's position that that  
14 person should not be a member of the TAC?  
15 MR. BROWN: Same objection.  
16 A You're just -- it's a situation here  
17 where -- where any -- any opinions that I have  
18 would have come from -- from discussions with  
19 counsel.  
20 Q Hopeman doesn't have any independent  
21 view of whether each TAC member should be able  
22 to represent all claimants fairly?  
23 MR. BROWN: Same objection.  
24 Answer if you have independent knowledge.  
25 A That's -- that's correct.

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1 Q That's correct that each member  
2 should represent TAC --  
3 A No, that's correct that Hopeman does  
4 not have an independent view -- view on that.  
5 Q Okay.  
6 So Hopeman's view of the TAC  
7 members is solely derived from discussions with  
8 counsel?  
9 A That's correct.  
10 Q Have you done any independent  
11 research on any of the TAC members?  
12 A No.  
13 Q Have you Googled any of the TAC  
14 members?  
15 A No.  
16 Q Have you met any of the TAC members?  
17 A I believe I met one of them at our  
18 mediation. I think she was in the room when I  
19 was there, but I'm trying to think of -- of the  
20 other names, and the only -- that would be the  
21 only place that I would have met them, would  
22 have been the -- in the -- in the Chubb  
23 mediation.  
24 Q Have you taken any steps to ensure  
25 that each TAC member can represent all

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1 claimants fairly?  
2 A I haven't. But to the extent that  
3 that would be necessary, I assume that my  
4 counsel would have.  
5 Q Okay.  
6 MR. FINNERTY: I'm going to mark  
7 another exhibit. I think we are up to -- lost  
8 track, to be honest, but I think it's 125.  
9 (Exhibit 125 marked for  
10 identification.)  
11 BY MR. FINNERTY:  
12 Q And this is your deposition  
13 transcript from November 13th in this matter,  
14 right?  
15 A Yes, appears that way.  
16 Q And that was on -- that was eight  
17 months ago now, but you remember that  
18 deposition, correct?  
19 A I do remember it, yes.  
20 Q I'm going to turn your attention to  
21 page 129 of the deposition. I just want to ask  
22 you about one piece of your testimony. And I'm  
23 going to start here on line 17.  
24 Do you see that?  
25 A I do.

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1 Q So do you know who Mr. Cox is?  
2 A Yes.  
3 Q Who is he?  
4 A He's -- he's either on the creditor  
5 committee or an attorney for the creditor  
6 committee.  
7 Q And Mr. Cox says: "Hopeman projected  
8 to see asbestos claims at least into 2047; is  
9 that right?"  
10 And you responded: "That's what  
11 the chart shows."  
12 Then Mr. Cox asked: "And does  
13 your bankruptcy filing protect claimants out to  
14 2047?"  
15 There's an objection. And you  
16 said: "No."  
17 Mr. Cox asked: "Why not?"  
18 You said: "The plan includes a  
19 bar date."  
20 And then the question was: "And  
21 why is it that you don't want to protect  
22 claimants that you expect to see through  
23 2047" --  
24 MR. BROWN: Can I interrupt you  
25 and have you just scroll the page?

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1 depth before jumping to a conclusion about  
2 someone and their motivations.  
3 Q But to date, you have not done that,  
4 right?  
5 A That's correct.  
6 Q Have you taken that step to form an  
7 opinion with respect to any member of the TAC?  
8 A No, I haven't.  
9 Q And Hopeman filed the plan supplement  
10 which names the members of the TAC -- proposed  
11 members of the TAC on June 6th, correct?  
12 A That's correct.  
13 Q And Hopeman is asking the court to  
14 confirm the plan, right?  
15 A Correct.  
16 Q And the plan supplement is part of  
17 the plan, correct?  
18 A That's correct.  
19 Q And as part of the plan supplement,  
20 there is a proposed group of TAC members,  
21 correct?  
22 A That's correct.  
23 Q So prior to asking the court to  
24 confirm the plan, including those TAC members,  
25 you or anyone else at Hopeman didn't take any

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1 steps to evaluate whether those people would be  
2 good fits on the TAC, correct?  
3 MR. BROWN: Objection to the  
4 form of the question.  
5 If you have independent  
6 knowledge, Chris, you can answer it.  
7 Otherwise, don't answer it to the extent it  
8 involves counsel or consultations with counsel.  
9 Q I don't want to know about whether  
10 your counsel did it. I want to know about  
11 whether you or anyone else at Hopeman did any  
12 research on any member of the TAC prior to the  
13 submission by Hopeman of the plan supplement on  
14 June 6th.  
15 MR. BROWN: Again, objection.  
16 Don't -- you're not testifying about what  
17 counsel may know or counsel may have told you.  
18 What your independent knowledge is.  
19 A My independent -- independent  
20 knowledge is no.  
21 Q Neither you nor anyone else at  
22 Hopeman did any research whatsoever on any  
23 proposed member of the TAC prior to submission  
24 of the plan supplement, right?  
25 MR. BROWN: Objection to form.

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1 It's now asked and answered multiple times.  
2 Kevin, he's made it clear, he  
3 doesn't -- he didn't do it. He doesn't know  
4 what his counsel may or may not have done.  
5 Q You can answer it again, though,  
6 Mr. Lascell.  
7 A I did not do any on my own, and I --  
8 and I do not know what -- what -- what my  
9 counsel has done specifically.  
10 Q So a much more general question. You  
11 testified in November that your goal is to  
12 protect all claimants, right?  
13 A That's correct, yes.  
14 Q Have you personally or anyone else at  
15 Hopeman done anything during the bankruptcy  
16 process to make sure that all claimants are  
17 protected, leaving aside what your counsel has  
18 done?  
19 MR. BROWN: Objection to the  
20 form of the question. Also leaves aside the  
21 entire bankruptcy proceedings.  
22 If you, Chris, can answer that  
23 question on your own, go ahead.  
24 A My answer would be that the  
25 bankruptcy proceeding is an attempt to protect

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1 claimants.  
2 Q I'm going to change gears a little.  
3 We touched on it a bit earlier,  
4 the restructuring transaction proposed by the  
5 plan.  
6 A Yes.  
7 Q Do you remember that?  
8 A I do.  
9 Q What do you know about that  
10 restructuring transaction?  
11 A I know that it's a passive investment  
12 in real estate property in Texas.  
13 Q Do you know what the name of the  
14 property is?  
15 A I'm sure I have it in my notes  
16 somewhere, but I don't recall it right now.  
17 Q Do you know where in Texas it is?  
18 A I don't recall exactly where in  
19 Texas.  
20 Q Do you know how many units the  
21 apartment complex is?  
22 A Again, I have all that in my notes.  
23 I just don't -- I just don't recall it here.  
24 Q Did you play any role in identifying  
25 the potential investment for the restructuring

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1 transaction?  
2 A No.  
3 Q Do you know who did identify the  
4 potential investment for the restructuring  
5 transaction?  
6 A The committee's financial advisor,  
7 FTI Consulting.  
8 Q Were you kept apprised of -- apprised  
9 of the committee's work in identifying a  
10 potential investment?  
11 A To some extent, yes, I imagine the  
12 committee and FTI spoke about that more than  
13 they would have updated my counsel or -- or me,  
14 but I was aware -- I was aware they were  
15 seeking one out.  
16 Q But do you remember seeing any  
17 information about their search for an  
18 investment?  
19 A At one point, I saw a -- a proposal  
20 that had a few different options and a  
21 recommended option.  
22 Q Did you or anyone else at Hopeman  
23 decide which option should be chosen?  
24 A We did not make that ultimate  
25 decision, no.

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1 Q Who did make that ultimate decision?  
2 A I don't know if it was FTI or the  
3 committee who had a recommended option that  
4 then, after hearing about that recommended  
5 option, then discussing it with my counsel, we  
6 approved -- approved of it, but I don't know  
7 exactly the legal process for -- for who was --  
8 who was responsible there.  
9 Q So fair to say you don't know who  
10 ultimately recommended the investment?  
11 A That's correct.  
12 Q Do you have any experience with  
13 passive real estate investing?  
14 A No, I don't.  
15 Q Do you know anything about passive  
16 real estate investing?  
17 A No.  
18 Q Do you understand, with respect to  
19 the restructuring transaction specifically,  
20 what Reorganized Hopeman's role will be with  
21 respect to the passive real estate investment?  
22 A They're going to make the investment  
23 and -- and periodically receive -- receive  
24 income from that investment.  
25 Q Can you think of any similarities

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1 between the work you were doing at Hopeman  
2 prior to the bankruptcy filing on the one hand  
3 and Reorganized Hopeman's conduct with respect  
4 to the passive real estate investment following  
5 confirmation of the plan?  
6 MR. BROWN: Object to the form  
7 of the question.  
8 If you understand it, you can  
9 answer it, Chris.  
10 A Hopeman was not -- had no passive  
11 real estate investments prior to the  
12 bankruptcy -- bankruptcy filing. Hopeman did  
13 have investments where we earned income, so  
14 that would be a similarity.  
15 Q Mm-hmm.  
16 But the work of responding to  
17 asbestos claims doesn't resemble passive real  
18 estate investing as you understand it, right?  
19 A No.  
20 Q And ship joining certainly doesn't  
21 resemble passive real estate investing, right?  
22 A Not that I'm aware of, no.  
23 Q Are you going to testify at the  
24 confirmation hearing on July 14th?  
25 A I believe that I am a potential

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1 witness. I don't know that we've made any  
2 final decisions.  
3 Q To the extent you do testify, do you  
4 know on what subjects you'll testify about?  
5 A I may know generally, but I don't --  
6 we haven't gotten into those -- those specific  
7 areas yet. We're sort of focused on getting  
8 through the deposition first.  
9 Q One step at a time, right?  
10 A Right.  
11 Q Do you know in general the subject  
12 matter of your testimony?  
13 A I don't know a complete list, but I  
14 can tell you that I would testify on the  
15 history of Hopeman Brothers, my involvement at  
16 Hopeman Brothers, the decision to file  
17 bankruptcy.  
18 Q Did you have any involvement in  
19 drafting the plan that we haven't discussed  
20 today?  
21 A No.  
22 Q And leaving aside drafting of the  
23 plan, did you have any involvement in the plan  
24 generally that we haven't discussed today?  
25 MR. BROWN: Object to the form

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1 of the question.  
2 A No, I think we've -- we've discussed  
3 everything.  
4 Q And do you have any knowledge about  
5 the committee's involvement in drafting of the  
6 plan that we haven't discussed today?  
7 A No.  
8 Q Okay.  
9 That is all the questions I have  
10 for now. I think someone else is up next, but  
11 thank you, Mr. Lascell, especially during a  
12 holiday week. We appreciate it.  
13 MR. BROWN: Thanks, Kevin.  
14 A Thanks.  
15 MR. BROWN: Was Chubb going to  
16 go next?  
17 MS. DAVIS: We are. Do you want  
18 to take a quick break before we get started?  
19 MR. BROWN: Probably a good  
20 idea. Thanks, Les.  
21 MS. DAVIS: Ten minutes or so?  
22 MR. BROWN: That'd be great.  
23 Thanks.  
24 MS. DAVIS: Thanks.  
25 (Recess.)

Page 123

1  
2 EXAMINATION  
3 BY MS. DAVIS:  
4 Q Hello again. Leslie Davis on behalf  
5 of the Chubb insurers.  
6 I'm going to try my best not to  
7 rehash anything you've covered already. A few  
8 questions for you, though.  
9 Mr. Lascell, you testified  
10 earlier about the goals of the bankruptcy case  
11 and how the currently proposed plan will  
12 accomplish those goals; do you remember that?  
13 A I do, yes.  
14 Q You understand that you and your  
15 siblings will gain injunctive protections from  
16 asbestos liabilities pursuant to the proposed  
17 plan; is that right?  
18 A Yes.  
19 Q That injunctive relief under the  
20 currently proposed plan would not have been  
21 available under the plan of liquidation that  
22 Hopeman filed last year; is that your  
23 understanding?  
24 MR. BROWN: Objection to the  
25 form of the question to the extent it calls for

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1 a legal conclusion.  
2 If you know otherwise, you can  
3 answer it.  
4 A I -- I can't answer that without --  
5 it would just be based on -- on conversations  
6 with my counsel.  
7 Q Well, I'll make it easier.  
8 The plan that was proposed last  
9 July, in 2024, that did not include a 524(g)  
10 injunction that would protect you and your  
11 siblings, correct?  
12 A That was not a 524(g) plan, yes.  
13 Q Is the injunctive relief provided  
14 under the Section 524(g) plan that is currently  
15 proposed one of the reasons that you and your  
16 siblings, or you, agreed to pursue a  
17 Section 524(g) plan?  
18 MR. BROWN: Objection to the  
19 form of the question.  
20 A I'm just trying to think of the best  
21 way to answer it. It -- it was -- we -- I  
22 wouldn't say it was necessarily a reason. We  
23 were aware of -- of -- of -- of the injunction,  
24 but we needed to come up with a plan regardless  
25 of the injunction, so that was not a primary

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1 reason for us to -- to choose the 524(g) plan.  
2 Q Was the primary reason that you chose  
3 to pursue the 524(g) plan because that's what  
4 the creditors wanted, the asbestos creditors  
5 specifically?  
6 A No.  
7 Q What was the reason for deciding to  
8 pursue a 524(g) plan over the plan of  
9 liquidation that had been filed previously?  
10 MR. BROWN: Objection, only to  
11 the extent it imparts legal knowledge you've  
12 been provided. But you can answer on your own.  
13 A My understanding is that we heard  
14 from the creditor committee from the outset of  
15 the case that they objected to -- to any plan  
16 that was not a 524(g) plan, and we said we were  
17 willing to listen, and if they could  
18 demonstrate that -- we were willing to  
19 listen -- listen to them, as we'd be willing to  
20 listen to anybody in this case.  
21 We did ask that they demonstrate  
22 that it would be in the best interest of -- of  
23 the creditors. And we discussed that -- we  
24 discussed what the committee -- committee said  
25 with my counsel and made the decision to move

**From:** Mintz, Mark[mmintz@joneswalker.com]  
**Sent:** Thur 11/7/2024 9:27:29 AM (UTC-05:00)  
**To:** Rovira, Joseph[JosephRovira@andrewskurth.com]  
**Cc:** Brown, Tyler[tpbrown@hunton.com]; Long, Toby[hlong@hunton.com]; Rankin, Catherine[CRankin@huntonak.com]; Jennifer West[jwest@spottsfain.com]; Philip Hoffman[phil@pchlawfirm.com]; Jeremiah Boling[jboling@bolingfirm.com]; Lee, Caroline McCaffrey[clee@joneswalker.com]  
**Subject:** RE: Hopeman - Liberty Language

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Joseph

Confirmed. Such an agreement is without prejudice to my clients rights to object to any other pleading including, but not limited to, (a) any further extension of the stay (b) any future settlements with any other party and (c) the proposed plan.

Mark

**Mark A. Mintz** | Partner

Jones Walker LLP

D: 504.582.8368

[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)

---

**From:** Rovira, Joseph

**Sent:** Thursday, October 31, 2024 5:33 PM

**To:** Mintz, Mark

**Cc:** Brown, Tyler ; Long, Toby ; Rankin, Catherine ; Jennifer West ; Philip Hoffman ; Jeremiah Boling ; Lee, Caroline McCaffrey

**Subject:** [EXTERNAL] Re: Hopeman - Liberty Language

Mark,

This is to confirm that the requested language will be included in any orders approving the settlements, subject to your clients agreeing that (i) they will not object to or otherwise contest the settlements, and (ii) the Debtor being able to represent to the Court that inclusion of the language resolved your client's objections and issues with the proposed settlements.

Thanks.

**Joseph Rovira**

Partner

**HUNTON ANDREWS KURTH LLP**

600 Travis Street, Suite 4200 | Houston, TX 77002

+1.713.220.4609 Phone | +1 713.220.4285 Fax

[JosephRovira@HuntonAK.com](mailto:JosephRovira@HuntonAK.com) | [vCard](#) | [Bio](#) | [HuntonAK.com](#)

On Oct 31, 2024, at 9:17 AM, Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)> wrote:

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Counsel

This is a little frustrating that this simple language that confirms what you have said numerous times cant be approved after 3 weeks.

**Mark A. Mintz** | Partner

Jones Walker LLP

D: 504.582.8368

[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)

---

**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Sent:** Thursday, October 24, 2024 4:11 PM  
**To:** Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>; Rankin, Catherine <[CRankin@huntonak.com](mailto:CRankin@huntonak.com)>  
**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; 'Philip Hoffman' <[phil@pchlawfirm.com](mailto:phil@pchlawfirm.com)>; Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Lee, Caroline McCaffrey <[cleee@joneswalker.com](mailto:cleee@joneswalker.com)>  
**Subject:** [EXTERNAL] RE: Hopeman - Liberty Language

Mark,

We are waiting on confirmation from the insurers that they have no issue including the language in the Order. We will ping them again and push for an answer.

Thanks.

**Joseph Rovira**  
Partner  
[josephrovira@huntonak.com](mailto:josephrovira@huntonak.com)  
p 713.220.4609

[bio](#) | [vCard](#)  
Hunton Andrews Kurth LLP  
600 Travis Street  
Suite 4200  
Houston, TX 77002

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---

**From:** Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)>  
**Sent:** Thursday, October 24, 2024 4:04 PM  
**To:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>; Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Rankin, Catherine <[CRankin@huntonak.com](mailto:CRankin@huntonak.com)>  
**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; 'Philip Hoffman' <[phil@pchlawfirm.com](mailto:phil@pchlawfirm.com)>; Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Lee, Caroline McCaffrey <[cleee@joneswalker.com](mailto:cleee@joneswalker.com)>  
**Subject:** RE: Hopeman - Liberty Language

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All

Can I please have an answer about this?

**Mark A. Mintz** | Partner  
Jones Walker LLP  
D: 504.582.8368  
[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)

---

**From:** Mintz, Mark  
**Sent:** Friday, October 18, 2024 10:38 AM  
**To:** 'Brown, Tyler' <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>; Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Rankin, Catherine <[CRankin@huntonak.com](mailto:CRankin@huntonak.com)>  
**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; 'Philip Hoffman' <[phil@pchlawfirm.com](mailto:phil@pchlawfirm.com)>; Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Lee, Caroline McCaffrey <[cleee@joneswalker.com](mailto:cleee@joneswalker.com)>  
**Subject:** RE: Hopeman - Liberty Language

Great –

Just following up again.

**Mark A. Mintz** | Partner  
Jones Walker LLP  
D: 504.582.8368

[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)

---

**From:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>  
**Sent:** Wednesday, October 16, 2024 9:40 AM  
**To:** Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>; Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Rankin, Catherine <[CRankin@huntonak.com](mailto:CRankin@huntonak.com)>  
**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; 'Philip Hoffman' <[phil@pchlawfirm.com](mailto:phil@pchlawfirm.com)>; Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Lee, Caroline McCaffrey <[cleee@joneswalker.com](mailto:cleee@joneswalker.com)>  
**Subject:** [EXTERNAL] RE: Hopeman - Liberty Language

Mark:

Sorry for the delay in responding. We think your proposed language works well. We need to run it by others and will hope to get back to you definitively very soon.

-Tyler

---

**From:** Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)>  
**Sent:** Friday, October 11, 2024 10:41 AM  
**To:** Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>; Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Rankin, Catherine <[CRankin@huntonak.com](mailto:CRankin@huntonak.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>  
**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; 'Philip Hoffman' <[phil@pchlawfirm.com](mailto:phil@pchlawfirm.com)>; Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Lee, Caroline McCaffrey <[cleee@joneswalker.com](mailto:cleee@joneswalker.com)>  
**Subject:** Hopeman - Liberty Language

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Hopeman Debtor Team:

Below is proposed language we would suggest in the Insurance Settlement motions – If you can agree to this, we think it should also go in the Plan and/or in the Confirmation order. Let us know.

Mark

***(i) Proposed Language - Chubb Insurers Settlement Motion [ECF No. 9]***

Notwithstanding any provision in this Court Order or the Chubb Insurer Settlement Agreement, the relief provided herein, including, but not limited to, any releases and injunctive relief, shall not apply in favor of Liberty Mutual Insurance Company or any of its affiliates, subsidiaries, or related entities. Liberty Mutual Insurance Company shall not be considered a beneficiary of this Court Order or the Chubb Insurer Settlement Agreement and shall have no rights or entitlements arising therefrom.

***(ii) Proposed Language - the Certain Settling Insurers Settlement Motion [ECF No. 53]***

Notwithstanding any provision in this Court Order or the Certain Settling Insurer Settlement Agreement, the relief provided herein, including, but not limited to, any releases and injunctive relief, shall not apply in favor of Liberty Mutual Insurance Company or any of its affiliates, subsidiaries, or related entities. Liberty Mutual Insurance Company shall not be considered a beneficiary of this Court Order or the Certain Settling Insurer Settlement Agreement and shall have no rights or entitlements arising therefrom.

**Mark A. Mintz**

Partner

D: 504.582.8368

[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)

Jones Walker LLP

HBI166037



201 St. Charles Ave, Ste 5100  
New Orleans, LA 70170  
**joneswalker.com**

**From:** Brown, Tyler[tpbrown@hunton.com]  
**Sent:** Sun 3/9/2025 3:36:25 PM (UTC-04:00)  
**To:** Mintz, Mark[mmintz@joneswalker.com]; Long, Toby[hlong@hunton.com]; Rovira, Joseph[JosephRovira@hunton.com]; Rankin, Catherine[CRankin@hunton.com]  
**Cc:** Jennifer West[jwest@spottsfain.com]; Robert S. S. Westermann Esq. (rwestermann@hf-law.com)[rwestermann@hf-law.com]; Kollin Bender[KBender@hirschlerlaw.com]; Roussel and Clement Attorney At Law[rcfirm@rousselandclement.com]; phil@pchlawfirm.com[phil@pchlawfirm.com]; Jeremiah Boling[jboling@bolingfirm.com]; Jeffrey Liesemer[jliesemer@capdale.com]  
**Subject:** RE: In re Hopeman Bros., Inc., Case No. 24-32428

Mark:

Thank you for your email. We are hopeful that we can reach an agreement that will resolve the objections filed by both your clients and the Roussel claimants.

For the reasons set forth in the motion and omnibus reply, we believe the request in the motion for a limited extension through June 30 is reasonable and appropriate. Among other reasons, it will permit the Debtor to effectuate a plan in accordance with the term sheet that was filed on Friday and preserve estate resources. For that reason, we cannot agree to your proposal in (2) related to the Simoneaux case. A review of the scheduling order in that case reveals that there are numerous upcoming deadlines that will likely result in Liberty becoming extremely active, distract the Debtor from the mission of prosecuting the proposed plan as set forth in the Term Sheet, and require the Debtor to incur substantial administrative expenses to deal with discovery and other insurers. There also appear to be many parties involved, along with numerous crossclaims, counterclaims and third-party claims that appear to make that case complicated and burdensome and likely to ensnare the Debtor in discovery or other work at a time the Debtor must be focused on the plan process.

We, however, are willing to see if we can agree on reasonable language related to (1) provided that it resolves the objections filed by both your firm and the Roussel firm. If so, here is language we propose: "The extended stay is without prejudice to the right of any party to move the Court for immediate relief from stay prior to the Extended Stay Expiration Date, June 30, 2025, in the event the movant contends the Debtor is not making material progress toward confirming a Chapter 11 plan."

We ask both you and the Roussel firm to confirm whether that would resolve your objections, and if so, we can then incorporate it into the order.

I am available for a call later this afternoon if that would be helpful. Thanks.

-Tyler

---

**From:** Mintz, Mark

**Sent:** Saturday, March 8, 2025 5:11 PM

**To:** Long, Toby ; Brown, Tyler ; Rovira, Joseph ; Rankin, Catherine

**Cc:** Jennifer West ; Robert S. S. Westermann Esq. (rwestermann@hf-law.com) ; Kollin Bender ; Roussel and Clement Attorney At Law ; phil@pchlawfirm.com; Jeremiah Boling ; Jeffrey Liesemer

**Subject:** RE: In re Hopeman Bros., Inc., Case No. 24-32428

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Toby and Tyler –

Thank you for sending the term sheet. My clients are still reviewing and appreciate the hard work that the parties have done in getting to this point. We further believe that there is a significant amount of work that is needed before this plan can even be considered for confirmation. For clarity, my clients do not believe that Liberty Mutual Insurance should be a protected party under the trust and that we will insist on language in the Plan and related agreements

ensuring that is the case.

Because Liberty is not entitled to be a Protected Party under the proposed plan or its related agreements, we continue to have a hard time understanding why it should be a protected party now. The idea that Liberty Mutual might start creating indemnity claims (which we believe it will do anyway) is based on hearsay within hearsay and appears to be unsupported by the record or the facts on the ground, and especially not at high enough level to support the extraordinary injunction being sought here.

Nevertheless, I have been authorized by my clients to make the following offer in order to resolve our objection to extension of the stay.

1. Any such stay is without prejudice to the right of any party including, but not limited to, my clients to move the court for an immediate termination of the injunction if the timelines contemplated under the term sheet are not being met or if the facts change in a meaningful way. The Debtor and the Committee will agree to work with a movant in good faith to expeditiously set a hearing on a motion to terminate the injunction.
2. *Simoneaux v. Seidenbach, et al.*, Case No. 23-4263 pending in the United States District Court for the Eastern District of Louisiana is set for trial on September 8, 2025 and there are numerous pre-trial deadlines between now and then where the extension of the injunction could put the trial date in jeopardy due to Liberty's need to participate in pre-trial discovery and other pre-trial deadlines. We would ask that this case be carved out of the injunction as it relates to Liberty.

If we can come to an agreement on these two ideas, we can withdraw our objection to the motion to extend the injunction.

Please feel free to call my cell phone this weekend if you would like to discuss further

Mark

504-231-5249

**Mark A. Mintz** | Partner

Jones Walker LLP

D: 504.582.8368

[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)

---

**From:** Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>

**Sent:** Thursday, March 6, 2025 11:59 AM

**To:** Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Rovira, Joseph <[JosephRovira@hunton.com](mailto:JosephRovira@hunton.com)>; Rankin, Catherine <[CRankin@hunton.com](mailto:CRankin@hunton.com)>

**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; Robert S. S. Westermann Esq. ([rwestermann@hf-law.com](mailto:rwestermann@hf-law.com)) <[rwestermann@hf-law.com](mailto:rwestermann@hf-law.com)>; Kollin Bender <[KBender@hirschlerlaw.com](mailto:KBender@hirschlerlaw.com)>; Roussel and Clement Attorney At Law <[rcfirm@rousselandclement.com](mailto:rcfirm@rousselandclement.com)>; [phil@pchlawfirm.com](mailto:phil@pchlawfirm.com); Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Jeffrey Liesemer <[jliesemer@capdale.com](mailto:jliesemer@capdale.com)>

**Subject:** [EXTERNAL] RE: In re Hopeman Bros., Inc., Case No. 24-32428

Mark –

Apologies for the late notice on the adjournment. The judicial mediator decided that the parties to the mediation would benefit from additional time to potentially reach a resolution in advance of any hearing on the pending motions, and the Debtor agreed. The mediator then contacted the Court to discuss an adjournment and secured an available day and time for an adjourned hearing before the stay extension was set to expire on March 10. The final decision to adjourn was made yesterday afternoon upon the request of the mediator, and we filed the notice of adjournment within an hour after the adjournment decision was made and then approved by the Court.

We understand that the Committee has been in contact with you or your clients, as well as the Roussel firm, regarding the status of the ongoing mediation. We hope that is the case. While we are required to keep the mediation discussions confidential, we are hopeful an agreement will be reached today, and if so, we plan to file the agreement with the Court so that we can have a call with you, hopefully tomorrow, after you have had a chance to read it and can consider whether it might impact your position at the hearing.

Sorry if the adjourned hearing complicates your and your Virginia counsel's schedules. As always, we are happy to answer any calls or emails from counsel about where things stand in advance of scheduled

hearings so people can plan accordingly.

We plan to file the agenda for Monday's hearing mid-day tomorrow. The agenda will include a Zoom link for the hearing that will facilitate remote appearances.

We look forward to speaking with you after the agreement is filed.

Best,

Toby

HUNTON  
ANDREWS KURTH

**Henry P. (Toby) Long, III**

[hlong@HuntonAK.com](mailto:hlong@HuntonAK.com)

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**From:** Mintz, Mark <[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)>

**Sent:** Thursday, March 6, 2025 9:53 AM

**To:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>; Rovira, Joseph <[JosephRovira@hunton.com](mailto:JosephRovira@hunton.com)>; Rankin, Catherine <[CRankin@hunton.com](mailto:CRankin@hunton.com)>

**Cc:** Jennifer West <[jwest@spottsfain.com](mailto:jwest@spottsfain.com)>; Robert S. S. Westermann Esq. ([rwestermann@hf-law.com](mailto:rwestermann@hf-law.com)) <[rwestermann@hf-law.com](mailto:rwestermann@hf-law.com)>; Kollin Bender <[KBender@hirschlerlaw.com](mailto:KBender@hirschlerlaw.com)>; Roussel and Clement Attorney At Law <[rcfirm@rousselandclement.com](mailto:rcfirm@rousselandclement.com)>; [phil@pchlawfirm.com](mailto:phil@pchlawfirm.com); Jeremiah Boling <[jboling@bolingfirm.com](mailto:jboling@bolingfirm.com)>; Jeffrey Liesemer <[jliesemer@capdale.com](mailto:jliesemer@capdale.com)>

**Subject:** In re Hopeman Bros., Inc., Case No. 24-32428

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Counsel

I was disappointed to find that for the second time and without notice or consideration of myself, you have continued the hearing on the on the Debtor's Motion for a Third Interim Order Extending the Automatic Stay.

You filed your motion on February 19 and set an objection deadline of March 2 in advance of a March 5 hearing.

Louisiana counsel scrambled and timely filed objections before your Sunday deadline and prepared for a hearing that was set to occur on Ash Wednesday, Wednesday, March 5. Nevertheless, on Tuesday March 4, at 12:00 noon, Debtor's counsel unilaterally moved the hearing to March 6 at 11:00 AM. Despite the fact that we were not consulted about the time change, we were able to scramble – again – to clear our schedule to make the hearing. My local counsel, Ms. West, had to move some things around, and I had to reschedule hearings on matters in Louisiana and Texas that are happening today in order to make this work. I will be sure convey your apologies to Judge Grabill (E.D. La.) and Judge Perez (S.D. Tex.) and thank them for reworking their schedules to make your schedule work.

At 6:00 PM last night you unilaterally moved the hearing again, this time to March 10 at 11:00 AM. You have again not contacted or asked us if that time works. I am scheduled to be on an airplane at that time, and cannot make the hearing. We are still available this morning or tomorrow, March 7 in the morning. (I have a mediation starting at 11:00 AM Eastern). Further, I recognize that March 10 is the date that the stay expires. I do not consent to an

extension of time until we are able to be heard. While I ordinarily would do my best to be professional and extend courtesies to counsel for scheduling matters, your failure to extend the same courtesies has put me and my clients at a severe disadvantage.

Please inform me as soon as you can what your proposed solution to this problem is so that we can try this matter.

Thank you

Mark

**Mark A. Mintz**

Partner

D: 504.582.8368

[mmintz@joneswalker.com](mailto:mmintz@joneswalker.com)



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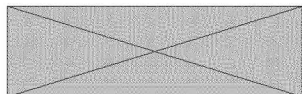
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**From:** Rovira, Joseph  
**Sent:** Thursday, October 24, 2024 4:09 PM  
**To:** Patricia Santelle  
**Cc:** Leslie A. Davis ; sandra.hourahan@brandywineholdings.com; Brown, Tyler ; Rankin, Catherine  
**Subject:** RE: Hopeman-Resolution of Objection with Louisiana Plaintiffs

Patti,

Any update on the below? Counsel has reached out again checking on status. I believe he wants to confirm his issues are resolved so he doesn't have to get involved in the fight, which we want to avoid as well.

Thanks.



**Joseph Rovira**  
Partner  
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Suite 4200  
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**From:** Rovira, Joseph  
**Sent:** Tuesday, October 22, 2024 4:25 PM  
**To:** Patricia Santelle <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; sandra.hourahan@brandywineholdings.com; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Rankin, Catherine <[CRankin@huntonak.com](mailto:CRankin@huntonak.com)>

**Subject:** Re: Hopeman-Resolution of Objection with Louisiana Plaintiffs

Thanks Patti. While we agree it's unnecessary, it's also innocuous and if adding gets one group of plaintiffs on board, it's well worth it.

Thanks.

**Joseph Rovira**

Partner

**HUNTON ANDREWS KURTH LLP**

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On Oct 22, 2024, at 3:04 PM, Santelle, Patricia <Santellep@whiteandwilliams.com> wrote:

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Thanks for your email, Joseph. It seems completely unnecessary but I'm checking with the other settling insurers (and have exchanged emails with Leslie and Sandra) and will get back to you ASAP.

Patti

**Patricia B. Santelle, Chair Emeritus**

1650 Market Street | One Liberty Place, Suite 1800 | Philadelphia, PA 19103-7395

Direct 215.864.6205 | Fax 215.789.7505

santellep@whiteandwilliams.com | whiteandwilliams.com

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**From:** Rovira, Joseph <JosephRovira@andrewskurth.com>

**Sent:** Tuesday, October 22, 2024 1:45:50 PM

**To:** Santelle, Patricia <Santellep@whiteandwilliams.com>; Davis, Leslie A. <Leslie.Davis@troutman.com>; sandra.hourahan@brandywineholdings.com <sandra.hourahan@brandywineholdings.com>

**Cc:** Brown, Tyler <tpbrown@hunton.com>; Rankin, Catherine <CRankin@huntonak.com>

**Subject:** Hopeman-Resolution of Objection with Louisiana Plaintiffs

CAUTION: This message originated outside of the firm. Use caution when opening attachments, clicking links or responding to requests for information.

Patti, Leslie and Sandra,

I hope you are each doing well. Recently we were contacted by Mark Mintz at Jones Walker. As you may recall, Mark represents a group of plaintiffs in Louisiana and is one of the groups that actively contested the extension of the stay motion. Mark reached out to us recently and said that his client would not contest the Insurer Settlement Motions if we included the below language in the orders approving the settlements. We have no issues with adding the language because it is clear that the settlements don't impact any rights parties have, whatever they may be, against Liberty.

As such, we recommend accepting the proposed language and adding it to the Orders. It would be great to get this agreement as soon as possible so that we can show the Court (and other parties) that there are claimants getting on board with the settlements, and perhaps get some of the other Louisiana claimants to sign on, undercutting the Committee.

Please let us know if it would be helpful to discuss. Thank you.

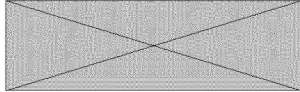
**(i) Proposed Language - Chubb Insurers Settlement Motion [ECF No. 9]**

Notwithstanding any provision in this Court Order or the Chubb Insurer Settlement Agreement, the relief provided herein, including, but not limited to, any releases and injunctive relief, shall not

apply in favor of Liberty Mutual Insurance Company or any of its affiliates, subsidiaries, or related entities. Liberty Mutual Insurance Company shall not be considered a beneficiary of this Court Order or the Chubb Insurer Settlement Agreement and shall have no rights or entitlements arising therefrom.

***(ii) Proposed Language - the Certain Settling Insurers Settlement Motion [ECF No. 53]***

Notwithstanding any provision in this Court Order or the Certain Settling Insurer Settlement Agreement, the relief provided herein, including, but not limited to, any releases and injunctive relief, shall not apply in favor of Liberty Mutual Insurance Company or any of its affiliates, subsidiaries, or related entities. Liberty Mutual Insurance Company shall not be considered a beneficiary of this Court Order or the Certain Settling Insurer Settlement Agreement and shall have no rights or entitlements arising therefrom.



**Joseph Rovira**

Partner

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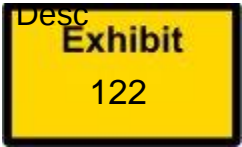
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Suite 4200

Houston, TX 77002

HuntonAK.com





**From:** [Jeffrey Liesemer](#)  
**To:** [Brown, Tyler](#); [Rovira, Joseph](#)  
**Cc:** "[Trey Branham \(tbranham@dobslegal.com\)](#)"; [Lisa Busch](#); [Kevin Maclay](#); [Todd Phillips](#); [Edwards, Brady](#); [Nes, W. Brad](#); [Raskin, Jeffrey S.](#); [Cox, David Sean](#); [Long, Toby](#); [Nathaniel Miller](#)  
**Subject:** HBI - Draft Settlement Term Sheet  
**Date:** Monday, November 25, 2024 3:36:30 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[Settlement Term Sheet \(11-25-2024\).docx](#)

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**Fed. R. Evid. 408 – For Settlement Purposes Only**

Tyler and Joseph—Attached is the draft Settlement Term Sheet for Hopeman Brothers, Inc. Best. J.A.L.

**Jeffrey A. Liesemer**

Member

t. 202.862.5007 | m. 571.451.4828 | [jliesemer@capdale.com](mailto:jliesemer@capdale.com)

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**SETTLEMENT TERM SHEET FOR HOPEMAN BROTHERS, INC.**

**A. Preamble**

1. This settlement term sheet (“**Term Sheet**”) is executed by and between the debtor and debtor-in-possession Hopeman Brothers, Inc. (“**Debtor**”) and the Official Committee of Unsecured Creditors appointed in the Debtor’s bankruptcy case (“**Committee**”). The Debtor and the Committee are hereinafter collectively referred to as the “**Parties**” and individually referred to as a “**Party**.”

2. This Term Sheet sets forth the essential terms on which the Parties have agreed to settle the liability of the Debtor for Channeled Asbestos Claims. Each element of this compromise and settlement is consideration for each of the other elements and an integral aspect of the proposed resolution. **This Term Sheet does not constitute an offer or solicitation for any chapter 11 plan of reorganization within the meaning of § 1125 of the Bankruptcy Code and is being presented for discussion and settlement purposes only.** This Term Sheet is delivered and may be used only in connection with settlement discussions between the Parties and is entitled to protection from any use or disclosure to any party or person under Federal Rule of Evidence 408 and any other rule of similar effect.

3. The full implementation of the settlement set forth in this Term Sheet is subject to (a) the negotiation and execution of definitive documentation in the form of a chapter 11 plan of reorganization and related documents for the Debtor acceptable to all the Parties (“**Plan**”); (b) the finalization of the exhibits referenced herein; (c) the entry by the Bankruptcy Court for the Eastern District of Virginia, Richmond Division (“**Bankruptcy Court**”), the United States District Court for the Eastern District of Virginia (“**District Court**”), or the Bankruptcy Court and District Court acting jointly, of an order confirming the Plan (“**Confirmation Order**”); and (d) if the Confirmation Order is entered by the Bankruptcy Court, the entry of a separate order by the District Court affirming the Confirmation Order (“**Affirmation Order**”).

4. Unless defined elsewhere in this Term Sheet, all capitalized terms have the meanings ascribed to them in Section I herein.

**B. Insurer Settlement Motions**

1. Upon execution of this Term Sheet by each of the Parties, and subject to the terms of this Section B, the Committee will not oppose entry of an order granting the Motion of the Debtor for Entry of an Order (I) Approving the Settlement Agreement and Release Between the Debtor and Certain Settling Insurers; (II) Approving the Sale of Certain Insurance Policies; (IV) [*sic*] Issuing an Injunction Pursuant to the Sale of Certain Insurance Policies; and (V) Granting Related Relief, ECF No. 53 (“**Resolute Motion**”); *provided, however*, that no such order shall be entered unless and until the Parties agree in writing to any necessary or appropriate modifications to the Resolute Agreement (as such term is defined below) and any related or accompanying documents to address the filed objections of the United States Trustee and to preserve the rights of Demand holders.

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2. The form and substance of the proposed order granting the Resolute Motion shall be acceptable to the Committee.

3. The “Settlement Amount,” as defined in the Certain Settling Insurer Settlement Agreement (Ex. A to the Resolute Motion), as such agreement may be amended or modified (“**Resolute Agreement**”), will be paid in accordance with the terms of the Resolute Agreement and, in accordance with section 2.2 of the Resolute Agreement, will be used and disbursed for the resolution of asbestos claims against the Debtor, for allowed administrative expenses of the Debtor’s bankruptcy case, or as otherwise authorized by the Bankruptcy Code and Bankruptcy Rules or by order of the Bankruptcy Court.

4. The Debtor will request that the Court continue or adjourn the hearing, currently set for December 16, 2024, on the Motion of the Debtor for Entry of an Order (I) Approving the Settlement Agreement and Release Between the Debtor and the Chubb Insurers; (II) Approving the Assumption of the Settlement Agreement and Release Between the Debtor and the Chubb Insurers; (III) Approving the Sale of Certain Insurance Policies; (IV) Issuing an Injunction Pursuant to the Sale of Certain Insurance Policies; and (V) Granting Related Relief, ECF No. 9 (“**Chubb Motion**”) to an omnibus hearing date in March 2025.

5. In addition, the Debtor and the Committee will jointly request that all upcoming dates and deadlines set forth in Exhibit 1 to the Second Agreed Order Continuing Hearing on Insurer Settlement Motions and Modifying Discovery/Briefing Schedule, ECF No. 376, be suspended indefinitely pending the mediation set forth in Section C. If the mediation is unsuccessful, the Parties will meet and confer to resolve open scheduling issues and any new pre-hearing dates and deadlines that need to be calendared.

### **C. Mediation**

1. The Debtor and the Committee will jointly request that the Court order mediation for the purpose of attempting to reach a consensual resolution of the Chubb Motion. The parties to the mediation will be (1) the Debtor, (2) the Committee, (3) Century Indemnity Company and Westchester Fire Insurance Company, and (4) any other entity wishing to participate and as to whom the Debtor and the Committee both consent in writing to their participation.

2. In connection with their joint request for mediation, the Debtor and Committee will request that the Bankruptcy Court, in its discretion, select as mediator a United States bankruptcy judge for the Eastern District of Virginia who (a) has no connection to the Debtor’s bankruptcy case and (b) is willing to serve as mediator at no cost to the Debtor’s bankruptcy estate.

3. The duration of the mediation will run from entry of the mediation order up to and through January 31, 2025, unless extended at the request of the Parties by the Bankruptcy Court. The Debtor shall prepare and present the proposed form of mediation order to be tendered to the Court, the form and substance of which shall be acceptable to the Committee.

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**D. Future Claims Representative**

The Parties shall agree to propose an individual to serve as the legal representative (“**FCR**”) for purposes of protecting the rights of persons that might subsequently assert Demands, in accordance with 11 U.S.C. § 524(g)(4)(B)(i). The Debtor and the Committee will jointly move for entry of an order appointing such individual as the FCR.

**E. Certain Matters Relating to the Plan**

1. The Parties shall work cooperatively to include in the Plan terms, provisions, and conditions that (a) will effectuate the agreements contained in this Term Sheet, (b) satisfy the requirements of 11 U.S.C. § 524(g), and (c) are acceptable to the Parties and the FCR.

2. In accordance with the Plan, and upon satisfaction or waiver of each of the conditions precedent to the occurrence of the effective date of the Plan, which will occur as soon as reasonably practicable after entry of the Confirmation Order or, if applicable, the Affirmation Order (“**Effective Date**”), a trust will be established that satisfies § 524(g) and other applicable provisions of the Bankruptcy Code (“**Trust**”). On the Effective Date, except as otherwise provided in the Plan, the Debtor shall transfer all its assets, both tangible and intangible, to the Trust.

3. The Debtor shall, prior to confirmation of the Plan and in consultation with the Committee, acquire with the approval of the Bankruptcy Court, or be in a position to acquire on the Effective Date, a low-cost, income-generating business or an interest in such a business.

4. The Parties agree that the Debtor, the Committee, and the FCR will be co-proponents of the Plan (“**Plan Proponents**”) and that the Debtor will assume primary responsibility for drafting the Plan, the disclosure statement, and any other documents related to the Plan other than any documents associated with the Trust. The Parties further agree that the Committee and the FCR will assume primary responsibility for drafting all documents associated with the Trust, including the trust agreement and the trust distribution procedures. The final forms of the Plan, the disclosure statement, and all other documents related to the Plan must be acceptable to the Parties. The final forms of the trust agreement, the trust distribution procedures, and all other documents related to them must be acceptable to the Parties.

5. To the fullest extent permitted by applicable law, the Plan and the Confirmation Order shall, for any act taken or omitted to be taken in connection with the Plan, the disclosure statement, or any document created or entered into in connection with the Plan, (a) provide for the full release by claimants and creditors (solely in their capacities as such) of all claims arising on or before the Effective Date that such claimants and creditors may have against the Plan Proponents and their professionals (acting in such capacity) and (b) exculpate the Plan Proponents and their professionals (acting in such capacity) from any liability to any entity. Notwithstanding the foregoing, no release or discharge of the Parties or their professionals shall diminish, reduce, or eliminate the duties or obligations of any Asbestos Insurer under any Asbestos Insurance Policy or asbestos-related settlement agreement or coverage-in-place agreement.

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6. In addition to the Asbestos Channeling Injunction, the Plan will include releases of claims and exculpations, the terms of which shall be subject to the consent of each of the Plan Proponents, which consent shall not be unreasonably withheld.

7. The Committee will, in its sole discretion, select and identify the persons to be appointed as members of the Trust's trust advisory committee ("TAC").

8. Any claims or demands by Liberty Mutual Insurance Company or Huntington Ingalls Industries, Inc., or any Affiliate of the foregoing, shall be resolved in a manner acceptable to the Parties.

9. On the Effective Date, all existing equity security interests shall be terminated and extinguished. The reorganized Debtor shall thereupon issue new equity security interests, all of which shall be transferred to, and held by, the Trust.

#### **F. Insurance Matters**

1. On the Effective Date, the reorganized Debtor shall transfer the Asbestos Insurance Assets to the Trust, and the Trust shall thereby become an estate representative under §§ 1123(a)(5) and 1123(b)(3)(B) of the Bankruptcy Code, with the exclusive right to enforce any and all of the Asbestos Insurance Assets against any entity, subject to the provisions of the Plan that would permit holders of Channeled Asbestos Claims to bring actions against the reorganized Debtor and/or against Non-Settling Insurers to obtain the benefits of the Asbestos Insurance Coverage. Any entity that has issued an Asbestos Insurance Policy and each of its Affiliates, predecessors in interest, and agents are the "**Asbestos Insurers**," but only in relation to the Asbestos Insurance Policies, including those insurers who issued, subscribed to, or have acquired the obligations of an issuing or subscribing insurer through assignment, conveyance, merger, acquisition, or other legal theory.

2. For the avoidance of doubt, the Asbestos Insurance Assets include all rights to coverage and insurance proceeds under the Asbestos Insurance Policies that are related to coverage for Channeled Asbestos Claims, together with all rights to insurance coverage and insurance proceeds related to Channeled Asbestos Claims under any settlement agreements or coverage-in-place agreements, as well as the right, on behalf of the Debtor, to compromise with or grant a full release to one or more Asbestos Insurers of any such insurance rights, whether under any such policy, settlement agreement, or coverage-in-place agreement. Except to the extent otherwise provided in this Term Sheet, upon the Effective Date, the Debtor cannot compromise any part of the Asbestos Insurance Policies.

3. The reorganized Debtor will cooperate with the Trust and use reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things that the Trust may reasonably consider necessary to effectuate the transfer of the Asbestos Insurance Assets to the Trust. By way of enumeration and not of limitation, the reorganized Debtor will be obligated: (a) to provide the Trust with copies of insurance policies and settlement agreements included within or relating to the Asbestos Insurance Assets; (b) to provide the Trust with other information in the

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reorganized Debtor's possession, custody, or control that is reasonably necessary to the Trust's efforts with respect to insurance coverage for Channeled Asbestos Claims; (c) to execute further assignments or allow the Trust to pursue claims relating to the Asbestos Insurance Assets in the reorganized Debtor's name (subject to appropriate disclosure of the fact that the Trust is doing so and the reasons it is doing so), including by means of arbitration, alternative dispute resolution proceeding, or litigation; and (d) to facilitate actions to enforce judgments obtained by claimants against Non-Settling Insurers, if necessary.

4. If any transfer or portion of a transfer of the Asbestos Insurance Assets to the Trust is determined to be invalid by a court of competent jurisdiction, upon the Trust's request and at the expense of the Trust, the reorganized Debtor shall (a) take all reasonable actions with respect to such assets, including the prosecution of any insurance coverage and/or breach of contract action, for the benefit of, and to the extent reasonably requested by, the Trust; and (b) immediately transfer any amount recovered under or on account of any such assets to the Trust.

#### **G. Actions to Obtain Benefits of Asbestos Insurance Coverage**

1. Upon the Effective Date, holders of Channeled Asbestos Claims shall have the right to initiate, continue, or prosecute an action against the reorganized Debtor, or, where permitted by applicable law, a direct action against a Non-Settling Insurer, in the tort system to obtain the benefit of the Asbestos Insurance Coverage of any Non-Settling Insurer.

2. If the holder of a Channeled Asbestos Claim commences such an action, the complaint may name the reorganized Debtor as a defendant and shall be deemed by operation of law to be an action against the reorganized Debtor; *provided, however*, that the reorganized Debtor shall have no obligation to answer, appear, or otherwise participate in the action in any respect other than as set forth in this Term Sheet and as may be necessary to maintain coverage under the Asbestos Insurance Policies; and any judgment that may be obtained in an action cannot be enforced against the assets of the reorganized Debtor, other than from the Asbestos Insurance Coverage.

3. Such actions may be filed in any court where the Debtor would have been subject to *in personam* jurisdiction as of the petition date, and process may be served on any person or entity appointed by the reorganized Debtor to serve as agent, who shall tender such actions to the applicable or relevant Non-Settling Insurer and, if appropriate, to any other Asbestos Insurer in compliance with the notice provisions of the applicable Asbestos Insurance Policies. Nothing in this Section is intended to affect any cause of action or right to bring a cause of action held by any holder of a Channeled Asbestos Claim directly against any Non-Settling Insurer.

#### **H. Asbestos Channeling Injunction**

1. The Plan shall be confirmed in accordance with 11 U.S.C. § 524(g). The Confirmation Order will permanently and forever stay, restrain, and enjoin any entity from taking any action under any legal or equitable theory for the purpose of directly or indirectly collecting, recovering, or receiving payment of, on, or with respect to any Channeled Asbestos Claim from

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any Protected Party. All Channeled Asbestos Claims shall be channeled to the Trust for resolution in accordance with a trust agreement and asbestos trust distribution procedures.

2. The Trust shall assume all liability for all Channeled Asbestos Claims. Neither the Trust's assumption of such liability nor anything else contained in this Term Sheet shall (a) diminish or otherwise impair the duties or obligations of any Non-Settling Insurer under any Asbestos Insurance Policy or asbestos-related settlement agreement or coverage-in-place agreement, (b) relieve the Debtor of any obligations that are necessary to maintain coverage under the Asbestos Insurance Policies, or (c) bar any action against the reorganized Debtor as permitted by Section G of this Term Sheet.

3. The Plan will provide that the Trust will protect, defend, indemnify, and hold harmless each Protected Party from and against any Channeled Asbestos Claim. The Trust shall have all defenses, crossclaims, offset, or recoupment rights, as well as rights of indemnification, contribution, subrogation, and similar rights, and any other rights regarding Channeled Asbestos Claims that the Debtor or any Protected Party has under applicable law. The Parties agree that the sole and exclusive remedy for the Trust's failure to satisfy the indemnification, defense, and hold harmless obligations under this Section shall be the right of the Protected Parties to assert a money damages claim against the Trust.

## **I. Defined Terms**

As used in this Term Sheet, capitalized terms have the meanings set forth below:

1. **"Affiliate"** means an "affiliate," as defined in 11 U.S.C. § 101(2).
2. **"Asbestos Claim"** means an Asbestos Personal Injury Claim or an Asbestos Indirect Claim.
3. **"Asbestos Indirect Claim"** means any "claim" (as defined in 11 U.S.C. § 101(5)) asserted by an entity that is not an Asbestos Insurer for contribution, reimbursement, indemnification, or subrogation, or any other indirect or derivative recovery, on account of or with respect to any Asbestos Personal Injury Claim.
4. **"Asbestos Insurance Assets"** means any and all of the Debtor's rights, title, privileges, interests, claims, demands, or entitlements to any Proceeds, payments, initial or supplemental dividends, scheme payments, supplemental scheme payments, state guaranty fund payments, causes of action, and choses in action under, for, or related to the following: (a) the Asbestos Insurance Settlements; (b) the Asbestos Insurance Policies; or (c) the Asbestos Insurance Coverage. For the avoidance of doubt, the term "Asbestos Insurance Assets" includes all rights to coverage and insurance proceeds under the Asbestos Insurance Policies that are related to coverage for Asbestos Claims, together with all rights to insurance coverage and insurance proceeds related to Asbestos Claims under any settlement agreements, or other agreements or stipulations, as well as the right, on behalf of the Debtor, to compromise with or grant a full release to one or more of

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the Asbestos Insurers of any such insurance rights, whether under any such policy, agreement, or stipulation.

5. “**Asbestos Insurance Coverage**” means all rights, title, privileges, interests, claims, demands, benefits, or entitlements to Proceeds, payments, indemnity, or reimbursement under any Asbestos Insurance Policy relating to a Channeled Asbestos Claim.

6. “**Asbestos Insurance Policy**” means any insurance policy that provides or potentially provides for Asbestos Insurance Coverage; *provided, however*, that the term “Asbestos Insurance Policy” shall not include any rights or obligations under any insurance policy to the extent, but only to the extent, that such rights or obligations pertain solely to coverage for workers’ compensation claims.

7. “**Asbestos Insurance Settlement**” means each agreement (a) that an Asbestos Insurer and the Debtor have entered into prior to the Effective Date (b) that the Committee and the FCR have consented to and determined in writing to be sufficiently comprehensive to warrant that such Asbestos Insurer receive the protections of a Settling Insurer under § 524(g) of the Bankruptcy Code, and (c) that is approved by final order of the Bankruptcy Court.

8. “**Asbestos Personal Injury Claim**” means any “claim” (as defined in 11 U.S.C. § 101(5)) or allegation or portion thereof against, or any debt, liability, or obligation of, the Debtor, whether now existing or hereafter arising, whether in the nature of or sounding in tort, or under contract, warranty, or any other theory of law, equity, or admiralty for, arising out of, resulting from, or attributable to, directly or indirectly, death, bodily injury, sickness, disease, or any other actual or alleged personal injury, physical, emotional, or otherwise, to persons, caused or allegedly caused, directly or indirectly, by the presence of, or exposure to, asbestos, including asbestos-containing products or materials engineered, designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any other way used by the Debtor or any other entity for whose products or operations the Debtor has liability or is alleged to have liability, but only to the extent arising, directly or indirectly, from acts, omissions, business, or operations of the Debtor (including the acts, omissions, business, or operations of any other entity for whose products or operations the Debtor has liability, but only to the extent of the Debtor’s liability for such acts, omissions, business, or operations), including all related claims, debts, obligations, or liabilities (such as any claim or demand for compensatory damages; loss of consortium; medical monitoring; wrongful death; survivorship; proximate, consequential, general, special, or punitive damages).

9. “**Channeled Asbestos Claims**” means, collectively, the Asbestos Claims and Demands. For the avoidance of doubt, Channeled Asbestos Claims includes, but is not limited to, prepetition claims.

10. “**Demand**” means a “demand,” as defined in 11 U.S.C. § 524(g)(5), against the Debtor.



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11. “**Non-Settling Insurer**” means any Asbestos Insurer that is not a Settling Insurer. For the avoidance of doubt, notwithstanding any provision herein to the contrary, the term “Non-Settling Insurer” shall include Liberty Mutual Insurance Company.

12. “**Protected Party**” shall mean any of the following entities:

- (a) the Debtor or the reorganized Debtor;
- (b) current and former directors, officers, or employees of the Debtor, the reorganized Debtor, or any past or present Affiliate of the Debtor, solely in their respective capacities as such; or
- (c) any Settling Insurer, solely in its capacity as such.

13. “**Settling Insurer**” means any Asbestos Insurer that has entered into an Asbestos Insurance Settlement.

**J. Cooperation, Confidentiality, and Settlement**

1. The Parties shall use their commercially reasonable best efforts to support prompt confirmation and consummation of the Plan consistent with the terms described above, and to not directly or indirectly support efforts by other parties to hinder, delay, or oppose prompt confirmation of the Plan.

2. The Parties shall treat all negotiations regarding this Term Sheet as confidential. Without the prior written consent of all the Parties and until such time as the Term Sheet is publicly disclosed as provided herein or below, neither the contents nor the existence of this Term Sheet shall be disclosed by any Party, either orally or in writing, except to each Party’s members, directors, officers, employees, legal counsel, financial advisors, accountants, and clients on a confidential basis, or except (a) when necessary to apprise and engage in discussions with the FCR appointed in the Debtor’s bankruptcy case and the professionals employed by the FCR with the Bankruptcy Court’s approval; (b) when necessary to comply with court orders; or (c) in an action to enforce the terms and provisions of the Term Sheet itself.

3. Further, without the prior written consent of all the Parties, the contents of any documents contemplated hereby shall not be disclosed by any Party, either orally or in writing, except to each Party’s members, directors, officers, employees, legal counsel, financial advisors, accountants, and clients on a confidential basis, or except (a) when necessary to apprise and engage in discussions with the FCR appointed in the Debtor’s bankruptcy case and the professionals employed by the FCR with the Bankruptcy Court’s approval; (b) when necessary to comply with court orders; or (c) when required to commence or proceed with approval and consummation of the settlement in the Bankruptcy Court or the District Court. The contents of these documents shall be used solely for the purpose of consummating the settlement contemplated hereunder. Any members, directors, officers, employees, legal counsel, financial advisors, accountants, and clients receiving the information shall similarly maintain the confidentiality of the contents of any

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documents contemplated hereby upon the same terms and use these contents solely for the purpose of consummating the settlement contemplated hereunder.

4. Neither this Term Sheet nor the settlement set forth herein constitutes, and shall not be construed, interpreted, or otherwise read to constitute any admission by the Parties.

5. The rules of construction set forth in 11 U.S.C. § 102 shall govern the interpretation or construction of this Term Sheet, and the laws of the Commonwealth of Virginia shall govern such interpretation or construction in all other respects.

6. This Term Sheet may be amended only by written agreement executed by each of the Parties.

7. This Term Sheet may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

**K. Termination of the Term Sheet**

1. This Term Sheet may be terminated at any time by the written agreement of all the Parties.

2. Unless all the Parties consent in writing to extend such date (and such consent shall not be unreasonably withheld), this Term Sheet shall terminate if the Plan is not filed within 90 days of receipt by the Committee and the FCR of a proposed draft of the Plan. The Parties shall use their best efforts to cooperate in finalizing the Plan so that it can be filed by that date or, if reasonably possible, sooner.

3. Upon termination under Section K.1 or Section K.2 above, the Term Sheet shall be of no further force and effect.

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**L. Execution Date**

This Term Sheet is executed as of [REDACTED], 2024.

**AGREED AND ACCEPTED BY:**

**HOPEMAN BROTHERS, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Counsel to the Debtor

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Counsel to the Committee

**Colloquy**

5

1 We really wanted to give notice to all the parties what we  
2 intended to collectively do.

3 I don't know that it's apparent from the face of the  
4 final version of the term sheet, but the parties discussed  
5 trying to have a plan effective by June 30. Prior drafts had  
6 estimated expenses, how long it was going to take and how much  
7 it was going to cost, and that didn't end up in the final  
8 draft. But I think the parties are real clear that's the  
9 outside date.

10 We hope to do it even earlier. We hope to get to an  
11 effective date earlier. And in fact, you'll see reference in  
12 the term sheet about trying to combine the disclosure statement  
13 and plan confirmation issues as permitted under 105 in order to  
14 try to collapse the time a little bit. And we shortened some  
15 of the time periods within the term sheet to try to achieve an  
16 earlier outcome.

17 Well, Judge, the term sheet represents really a pivot,  
18 certainly for the debtor. It's a pivot from the liquidating  
19 plan we previously filed with the Court to a potential  
20 reorganization under 524(g). The revised form of the plan will  
21 still contemplate that the debtor would transfer its cash, its  
22 insurance coverage, its books and records over to, in this  
23 case, the reorganized debtor or the trust as that works its way  
24 through the plan. And the trust would be administered by a  
25 trustee and a trust oversight committee, which would be

**Colloquy**

11

1 trying to change that.

2           Your Honor, a couple of more points. Importantly,  
3 again, Huntington signed on to this term sheet, and they have  
4 agreed that that will resolve their appeal of the certain  
5 settling insurers' approval order. The Roussel firm is still  
6 an appellant, and we hope eventually we'll come to some terms  
7 that they will drop the appeal. But at the moment, we're still  
8 waiting on those funds. And Huntington has agreed, as part of  
9 this term sheet, that the funds can come into the estate and be  
10 used to cover administrative expenses and the other uses  
11 contemplated by the term sheet.

12           So that's a material step forward, Judge. And we do  
13 expect that those proceeds, when they come in, will be  
14 sufficient to cover all administrative expenses and to fund the  
15 trusts as contemplated by the term sheet.

16           I mentioned, Judge, we'll be back to see you on a  
17 motion -- well, a couple of motions, on the motion to appoint  
18 the future claims rep and the motion, when we have a disclosure  
19 statement in accordance with the local rules, we'll come back  
20 and ask you to please allow us to run a 152(d)(2)(B)(vi)  
21 combined disclosure statement and plan.

22           So those are the highlights of the term sheet.  
23 There's obviously detail I may not have covered. But I want to  
24 answer the question I think you might have, which is why is the  
25 debtor pivoting to this term sheet? Well, there's several

**Colloquy**

12

1 reasons, and I think the first one is pretty clear.

2 This is what the creditors have told us they want.  
3 That's pretty important because we have to think about, if we  
4 achieved a settlement over top of their approval, now we got to  
5 go to a plan. There may be appeals coming out of the  
6 settlement. There may be appeals coming out. We just don't  
7 have the money to continue to run that kind of -- this kind of  
8 case judge. You know where we are already on fees, and it was  
9 time to give a serious look about doing what the creditors  
10 wanted us to do.

11 The second is that the approach may allow claimants to  
12 access more coverage than they would have under our plan.  
13 Again, we chose through a liquidating plan what we thought was  
14 the commercially easiest path to the exit. We wanted to put  
15 out there very early on this is a -- this is an easy path for  
16 us to get to the other side. And if creditors didn't like it,  
17 let's talk about how we revise it to get there. And that's  
18 what's -- it's evolved to that.

19 I also mentioned earlier this path may actually open  
20 up recoveries for more people. And we heard certainly loud and  
21 clear from the creditors, and this is why we do need an FCR,  
22 that existing claimants are not all who have been harmed  
23 potentially by asbestos exposure. And through this process, we  
24 hope more people can come into the fold.

25 While, Judge, we thought that the deals we cut pre-

**Colloquy**

20

1 those settlements into a Chapter 11 liquidating trust, and then  
2 claimants will be able to -- will have recourse against that  
3 trust. And whether they have claims eligible for payment will  
4 turn on whether the eligibility is found in the claims  
5 resolution procedures that have already been proposed in  
6 connection with the debtor's plan of liquidation.

7 So from the committee's perspective, our concern is,  
8 well, do we really need a long-time pre-petition asbestos  
9 defense lawyer here, when really the central issue in this case  
10 as it's been presented by the debtor, is monetizing the  
11 insurance and getting the debtor underway with a liquidation.  
12 Since the debtor doesn't have an operating business, it's not  
13 returning to the tort system. And so the mission and the  
14 proposal here seems mismatched for a case of limited resources.

15 THE COURT: Well, isn't the mission typically  
16 undertaken by general counsel for the debtor? That's their  
17 responsibility. But then in the meantime there are peripheral  
18 matters that require special counsel. I mean, I note proposed  
19 special insurance counsel for the official committee of  
20 unsecured creditors is on some of the pleadings, the Morgan  
21 Lewis firm. So it's not unusual for the professionals in the  
22 case to seek assistance from specialized practitioners. Right.

23 MR. LIESEMER: Right. And we found out yesterday --  
24 and this was in Mr. Brown's proffer, we found out yesterday  
25 that the Courington firm has been coordinating the filing of

**Colloquy**

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1 judgment that's entered against different defendants, nondebtor  
2 defendants, can have nonmutual offensive collateral stoppable  
3 effect on a debtor that's protected by the automatic stay.

4 And this debtor is not an operating business. It's  
5 going to be liquidating in Chapter 11 and has proposed a  
6 liquidation Chapter 11 plan. So whatever decisions, adverse  
7 decisions affect Liberty are not going to affect the debtor  
8 here in bankruptcy. The debtor really should be indifferent  
9 about what happens down in Louisiana at this stage.

10 THE COURT: Despite the indemnification obligation?

11 MR. LIESEMER: I'm turning to that.

12 With respect to the identification litigation, we see  
13 it as a post hoc rationalization. It's very convenient for  
14 Liberty to threaten indemnification in order to get stay  
15 protection. We think the debtor's actions speak to the  
16 contrary. The debtor didn't list Liberty as a contingent  
17 creditor in its schedules. The debtor didn't mention the risk  
18 of an indemnity claim from Liberty in its original motion. And  
19 Mr. Van Epps, who testified, acknowledged that he thought there  
20 would be a claim, but he's not an attorney, and he said he  
21 didn't say that there was an obligation.

22 So I think the debtor's burden has not been met here  
23 in terms of a risk has been identified, but is the risk real.  
24 We think based on the circumstantial evidence that the answer  
25 is no.



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1 asking the court reporter to mark the transcript  
 2 to where questioning on this document begins, and  
 3 we'll mark it where it ends. And if you  
 4 want to -- I'm not precluding you from asking  
 5 questions, and I'm not suspending the deposition,  
 6 but it is subject to this order.  
 7 MR. CAROLAN: Okay. I'll ask my  
 8 questions. We'll see what Mr. Tully says and  
 9 address that later.  
 10 (Begin marked testimony.)  
 11 BY MR. CAROLAN:  
 12 Q. So, Mr. Tully, this is your document?  
 13 You prepared it -- or you or your team prepared  
 14 it?  
 15 A. Yes.  
 16 Q. And for the record, it's Bates-stamped  
 17 HBI163060 through 163067.  
 18 When FTI --  
 19 A. Did you freeze?  
 20 Q. When FTI was retained -- I'm sorry.  
 21 Go ahead, David.  
 22 A. Oh, I thought that my computer froze.  
 23 Pardon me for the interruption.  
 24 Q. Oh, okay.  
 25 When FTI was retained in this matter by

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1 the Committee, did you talk about potentially  
 2 working on, you know, a business investment  
 3 restructuring of the case?  
 4 A. At the time of our retention?  
 5 Q. Yeah.  
 6 A. I don't remember that coming up.  
 7 I mean, just like general -- any financial  
 8 advisory work that, you know, we're capable of  
 9 doing and that they needed was what our scope  
 10 was.  
 11 Q. Got it.  
 12 A. I didn't come in with a -- I didn't come  
 13 in with an exact understanding that this would be  
 14 one of the things to focus on.  
 15 Q. Okay. So this document, Page 2 of it,  
 16 it is entitled Investment Structures. And then  
 17 it says, "FTI evaluated five passive real estate  
 18 investment structures with a potential for  
 19 long-term growth and consistent income streams.  
 20 While there are numerous legal structures that  
 21 could be considered, the DST and the LP  
 22 investment structures had certain aspects that  
 23 appeared most suitable for the Hopeman trust."  
 24 Do you see that?  
 25 A. Yes.

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1 Q. Is there a reason that FTI focused on  
 2 passive real estate investment structures?  
 3 A. Well, I mean, it could get into  
 4 privilege, but, you know, we were charged with  
 5 looking at businesses. And part of the things  
 6 we looked at were to not have a lot of costs  
 7 associated with managing the business, so a lot  
 8 of, you know, administrative costs and stuff for  
 9 the reorganized entity going forward. So  
 10 something that was passive that could be managed  
 11 to create -- you know, a business that can create  
 12 income without a lot of expenses was, you know,  
 13 kind of part of the mandate.  
 14 Q. And when -- so is that -- when it  
 15 says "passive," that's what you intended? Was  
 16 that something that didn't require management?  
 17 I think that's the word you just said,  
 18 "management of the investment"?  
 19 A. Yeah. Excessive management. Like,  
 20 excessive costs to manage the business.  
 21 Q. Okay. And so you've -- you -- FTI's  
 22 recommendation was one of either the DST or the  
 23 LP, which this second page says seemed to be the  
 24 most optimal structures. Do you see that?  
 25 A. Yes.

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1 Q. Yeah.  
 2 And then a sec -- the third page of the  
 3 document, you've got multi-family, commercial  
 4 real estate, land, self-storage, retail and  
 5 industrial. And it says that multifamily and  
 6 commercial real estate investments are optimal  
 7 for Hopeman. That was your conclusion?  
 8 A. Yeah. We liked the multifamily  
 9 and the commercial real estate, especially  
 10 multifamily, because it provided, you know, a  
 11 lot of the advantages laid out in the page, like  
 12 diversification and the rent roll. As opposed  
 13 to having one tenant, you'll have, you know,  
 14 theoretically, hundreds.  
 15 Q. And it says under -- next to A it says,  
 16 "Direct investment in properties with multiple  
 17 units without actively managing the property or  
 18 being involved in its day-to-day operations." I  
 19 assume that was important, from your perspective?  
 20 A. Yeah. It was one of the obligations,  
 21 like, you wouldn't want to just manage -- you  
 22 know, the reorganized debtor, you know, wouldn't  
 23 want to spend a lot of management time managing  
 24 the day-to-day operation of property.  
 25 Q. Again, does that sort of go back to the

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1 against the plan would have the liquidation  
 2 analysis that was in the disclosure statement  
 3 prior to the plan supplement and these edits,  
 4 right?  
 5 A. It's the same liquidation analysis prior  
 6 to and after.  
 7 Q. Well, there is no after, right? The  
 8 only liquidation analysis is in the disclosure  
 9 statement?  
 10 A. Yeah. And I'm saying that this doesn't  
 11 change it.  
 12 Q. And I'm saying the one that is reflected  
 13 in the disclosure statement just doesn't reflect  
 14 anything about a litigation trustee. I think  
 15 we're on the same page.  
 16 A. It makes no assumptions on the  
 17 litigation trustee, yes.  
 18 Q. It doesn't reflect it in any way?  
 19 A. No, it couldn't. It was put together  
 20 before this concept was available to me.  
 21 MR. CAROLAN: Okay. I think that I'm  
 22 gonna pause, reserving my right to come back, and  
 23 turn it over to Kevin, I guess.  
 24 MR. BROWN: Kevin, could I take a  
 25 five-minute personal break before you do that?

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1 MR. FINNERTY: I was just gonna suggest  
 2 the same thing.  
 3 MR. BROWN: Thanks.  
 4 MR. FINNERTY: Yep.  
 5 (Recess taken.)  
 6 EXAMINATION  
 7 BY MR. FINNERTY:  
 8 Q. So, Mr. Tully, I mentioned it earlier,  
 9 but I'm Kevin Finnerty at Choate Hall & Stewart.  
 10 I represent Liberty Mutual.  
 11 A. Hello.  
 12 Q. So earlier you testified regarding  
 13 Hopeman's business since 2003. I just want to  
 14 be clear, at the time you were engaged in 2024,  
 15 Hopeman had no ongoing business, to your  
 16 understanding, right?  
 17 A. Yes.  
 18 Q. And does Hopeman have any ongoing  
 19 business now?  
 20 MR. COX: Objection to the form.  
 21 THE WITNESS: No. No.  
 22 BY MR. FINNERTY:  
 23 Q. When you were, and FTI was thinking  
 24 about the restructuring transaction, can you just  
 25 walk me through, at a high level, the process you

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1 went through to identify potential business  
 2 opportunities for Hopeman?  
 3 A. Sure. We spoke to counsel, laying out  
 4 parameters. We spoke to my partners in real  
 5 estate. We considered, you know, a bunch of, you  
 6 know, those factors, and real estate seemed to  
 7 make the most sense. So, again, got contacts in  
 8 the real estate space in the different types of  
 9 investments we were interested in. We reached  
 10 out and got materials, reviewed those materials,  
 11 you know, considered all the factors, and, it  
 12 ultimately, culminated in that report we spoke  
 13 about earlier and the recommendation that we  
 14 made.  
 15 Q. So you spoke to your partners in real  
 16 estate. Is it true that you immediately honed in  
 17 on real estate as the type of business that  
 18 Hopeman would invest in?  
 19 A. Yeah. That was the focus, more or less.  
 20 I -- I think we -- we didn't say it was the  
 21 exclusive thing we could look at, but it  
 22 was -- seemed to be a logical choice.  
 23 Q. Did you look at any other opportunities  
 24 other than real estate?  
 25 A. I don't think I remember looking at

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1 anything other than real estate. Again, just  
 2 finding a small business is kind of difficult.  
 3 But, yeah, we didn't do diligence on other small  
 4 businesses like you might think about.  
 5 Q. Like, what other types of small  
 6 businesses would you think about?  
 7 A. Like a laundromat, a gas station. I  
 8 don't know. With 250,000, it's tough to, you  
 9 know, buy something. And also, you know, we  
 10 liked the more, you know, less-active piece of  
 11 the whole thing without --  
 12 Q. Why did you like the less-active  
 13 piece -- sorry. I didn't mean to cut you off,  
 14 Mr. Tully. Were you finished?  
 15 A. No. I was just saying, like, without  
 16 need for employees and costs and risk.  
 17 Q. So you were specifically looking for an  
 18 opportunity that wouldn't entail any employees;  
 19 is that right?  
 20 A. Yeah. We were -- you know, again, I'm  
 21 not a hundred percent we said, like, "absolutely  
 22 can never have employees," but, I was looking at,  
 23 you know, things that were easy to manage.  
 24 Q. And what, in your view, would be the  
 25 benefit of not having employees?

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1 A. Well, you have to pay them every two  
 2 weeks or else they leave. You know, it just  
 3 creates risk that, you know, could be avoided by  
 4 something that's, like, where someone else is  
 5 managing the day to day.  
 6 Q. And you said you liked the less-active  
 7 business opportunities when you were evaluating  
 8 them. Why was that?  
 9 A. Just less complexity. Less expense.  
 10 Q. What do you mean by "complexity"?  
 11 A. I mean, I'm trying to think what  
 12 -- there's so many different types of complexity  
 13 that, when you're running a business, you know,  
 14 accounting systems, employees, payroll, payroll  
 15 tax, payroll tax withholding, insurance, you  
 16 know, liability, legal liability. You know, lots  
 17 of different variables. Just, you know, I mean,  
 18 it's a generic term. I can probably go on for an  
 19 hour naming business complexities.  
 20 Q. So is it true that, to the extent you  
 21 could find a business opportunity that wouldn't  
 22 involve any payroll, that would be beneficial, in  
 23 your view?  
 24 A. Look, again, what I sort of said, of  
 25 course, if all things being equal, I guess having

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1 -- you know, having an employee might be better  
 2 than not having an employee if you can generate  
 3 income.  
 4 Q. And how did FTI narrow down the options  
 5 of potential real estate investments that it was  
 6 looking at?  
 7 A. I mean, we looked at your typical,  
 8 you know, parameters: What the history of the  
 9 business was, what the cash flows were, what the  
 10 return on investment was, what's the purchase  
 11 price, you know, relative to other opportunities.  
 12 What's the confidence in the investment going  
 13 forward, you know, focusing on lower risk and  
 14 higher, you know, reward.  
 15 Q. Did you look for -- let me ask that  
 16 differently.  
 17 You mentioned the parameters you  
 18 considered earlier, and you just referenced them  
 19 again. Did FTI consider looking for a business  
 20 opportunity that was related in any way to  
 21 Hopeman's historic business?  
 22 A. Ship joining? No, I don't know that  
 23 -- how much of that even exists in the U.S.  
 24 these days. But, no, we didn't -- didn't really  
 25 look into a ship joining business.

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1 Q. Do you know what ship joining is?  
 2 A. At a high level.  
 3 Q. What's your understanding of it?  
 4 A. Basically, fitting out a ship,  
 5 its interior parts, and those types of  
 6 activities.  
 7 Q. And why didn't you consider looking for  
 8 a business activity looking for ship joining?  
 9 A. I mean, looking in Korea for a  
 10 business would probably be back to one of the  
 11 complexities.  
 12 Q. Did you look for any opportunities  
 13 in which -- let me ask that differently.  
 14 You testified earlier that you thought  
 15 Chris Lascell had been an employee of Hopeman.  
 16 Do you remember that?  
 17 A. I said he may be an employee. I don't  
 18 know. You know, I guess he's a president. I  
 19 don't know if that means that he's an employee or  
 20 not.  
 21 Q. Did you look for any investment  
 22 opportunities in a business that Chris Lascell  
 23 had expertise in?  
 24 A. I missed what you said. I'm sorry.  
 25 Q. When you were evaluating potential

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1 business opportunities for Hopeman, did  
 2 you consider whether you should look for  
 3 opportunities in a line of business that  
 4 Mr. Lascell had any expertise in?  
 5 A. I didn't talk to Mr. Lascell and did  
 6 not talk about what his experience was.  
 7 Q. So when you were looking at potential  
 8 investments for Hopeman, you didn't talk to  
 9 Mr. Lascell at all; is that right?  
 10 A. No.  
 11 Q. Why not?  
 12 A. My client was the Committee, and I  
 13 didn't feel the need to speak to him.  
 14 Q. Did you speak to anyone affiliated with  
 15 Hopeman?  
 16 A. Well, I mean, I think we testified about  
 17 the debtors, at some point. Counsel, that is.  
 18 Q. Right. But other than Hopeman's  
 19 counsel, did you speak to anyone at Hopeman while  
 20 you were evaluating potential investment?  
 21 A. There's -- I thought -- I thought it was  
 22 represented to me that there was no employees of  
 23 Hopeman. I mean, there's Lascell, and I talked  
 24 to him. Is there anyone else you had in mind  
 25 that I could have talked to?

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1 Q. I'm wondering if you talked to anybody.  
 2 A. Yeah. I -- I -- no.  
 3 Q. What research did you do on Hopeman  
 4 as a business when you were evaluating potential  
 5 investment opportunities, if any?  
 6 A. Like I said, I was aware of their  
 7 business. I didn't research their 22-year-old  
 8 business, if that was your question.  
 9 Q. What do you mean that "you were aware of  
 10 their business"?  
 11 A. Like we just talked about, the ship  
 12 joining business. I knew they were in ship  
 13 joining.  
 14 Q. How'd you come to that understanding?  
 15 A. I read it.  
 16 Q. Where?  
 17 A. In the declaration.  
 18 Q. Was that the extent of the research you  
 19 did on Hopeman when you were evaluating potential  
 20 business opportunities?  
 21 A. Yes.  
 22 Q. And earlier we talked about the fact  
 23 that the proposed director of reorganized Hopeman  
 24 is Matt Richardson. Do you remember that?  
 25 A. Yes.

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1 Q. Did you consider whether Mr. Richardson  
 2 has any expertise in passive real estate  
 3 investments when you were evaluating a potential  
 4 investment opportunity for Hopeman?  
 5 A. I didn't know who Mr. Richardson was  
 6 until more recently than I identified that  
 7 opportunity.  
 8 Q. Did you consider whether any person  
 9 affiliated with reorganized Hopeman would have  
 10 expertise in passive real estate investments  
 11 when you were evaluating potential investment  
 12 opportunity for Hopeman?  
 13 A. There was no one in reorganized Hopeman  
 14 at the time. Like, the time frames don't match.  
 15 Q. Now that you know that Mr. Richardson  
 16 has been proposed as the director of reorganized  
 17 Hopeman, have you done any work to evaluate  
 18 whether he has expertise in passive real estate  
 19 investments?  
 20 A. I wasn't involved in selecting him.  
 21 I can't speak to whether the committee or others  
 22 know what his -- his background is, but -- yeah,  
 23 I --  
 24 Q. Do you know what his background is?  
 25 A. No.

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1 Q. Do you know whether he has any  
 2 experience at all in passive real estate  
 3 investments?  
 4 A. No.  
 5 Q. Has anyone ever told you that a 524(g)  
 6 plan would be difficult under the facts of this  
 7 case?  
 8 MR. COX: Objection to the extent it  
 9 calls for communications with counsel.  
 10 BY MR. FINNERTY:  
 11 Q. Other than your discussions with  
 12 counsel, have you talked to anyone who said that  
 13 confirmation of a plan under 524(g) would be  
 14 difficult in this case?  
 15 A. No.  
 16 Q. Are you familiar with the Yarway case?  
 17 A. I'm aware of it.  
 18 Q. What is it?  
 19 A. It's an asbestos bankruptcy case.  
 20 Q. Do you know whether a plan was confirmed  
 21 under Section 524(g) in that case?  
 22 A. I didn't work on the case, so I can't  
 23 profess to be an expert. I think it was, but I  
 24 don't know.  
 25 Q. Did FTI consider that case when

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1 evaluating potential business opportunities for  
 2 Hopeman?  
 3 A. I can't recall. I think we looked at a  
 4 bunch of cases, and I'm not sure if that was one  
 5 of them. I remember testifying that Sepco was  
 6 one that we looked at.  
 7 Q. So when FTI looks at potential business  
 8 opportunities in the context of bankruptcy, do  
 9 you consider prior bankruptcy plans that have  
 10 been confirmed in order to eval -- or guide your  
 11 evaluation of business opportunities?  
 12 A. I didn't really understand the question.  
 13 Was it a general question about -- or was --  
 14 Q. Just generally, yeah. I didn't ask it  
 15 correctly.  
 16 So, in general, when FTI is evaluating  
 17 a potential business investment as part of a  
 18 restructuring, do you consider prior bankruptcy  
 19 plans that have been confirmed under 524(g) in  
 20 order to guide your evaluation of those  
 21 investments?  
 22 A. I don't do it too often, so I'm not  
 23 totally sure. I'm having a hard time following  
 24 the question. Is it just in asbestos? Like,  
 25 I -- I'm -- yeah. Sorry.

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1 Q. In any bankruptcy, do you ever go back  
 2 to a different plan that had been confirmed and  
 3 say, "In that plan, they used passive real estate  
 4 investment so we'll do the same thing here"?

5 A. I can't -- I can't recall. I don't  
 6 know.

7 Q. I think you testified earlier that  
 8 through 2030 the cumulative cash flow -- the year  
 9 2030, --

10 A. Okay.

11 Q. -- the cumulative cash flow will  
 12 be about \$150,000 from the restructuring  
 13 transaction. Do you remember that?

14 A. Yes.

15 Q. Do you know how that amount of money  
 16 compares to the value of the mesothelioma claim  
 17 in the proposed trust distribution procedures?

18 A. I -- I know -- yeah, it compares.  
 19 It's a small number in comparison to that.  
 20 It's a pretty good number in comparison to the  
 21 investment that we're making, --

22 Q. The average --

23 A. -- is the right way to look at it, you  
 24 know?

25 Q. Why is that the right way to look at it?

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1 A. You know, I mean it's apples and  
 2 oranges. There's no correlation between what  
 3 the asbestos claims is and what the -- what a  
 4 business can earn based on the capital it can  
 5 deploy.

6 Q. But the amount that Hopeman earns  
 7 through the restructuring transaction will be the  
 8 total amount that it contributes to the trust; is  
 9 that right?

10 MR. COX: Objection to form.

11 THE WITNESS: I'm not really sure I  
 12 understood that question either. But the thing I  
 13 think you're, basically, asking is the investment  
 14 correlated to the investment return, and, you  
 15 know, I think the answer's yes to that. But  
 16 maybe -- maybe I didn't understand your question.

17 BY MR. FINNERTY:

18 Q. Is there a chance the restructuring  
 19 transaction earns no money by 2030?

20 A. Yeah. There's a chance of anything  
 21 happening between now and 2030.

22 Q. Assume that the restructuring  
 23 transaction is approved and effectuated. From  
 24 that point forward, what will Hopeman's role with  
 25 respect to the investment be?

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1 MR. COX: Objection to form.

2 THE WITNESS: I feel like I testified to  
 3 all of this before, but, you know, they -- at  
 4 -- you know, after the effective date, they'll  
 5 deploy the capital to make the investment.  
 6 They'll receive, you know, periodic updates on  
 7 how the investment's doing. They'll receive  
 8 quarterly equity checks representing their ample  
 9 share of the investment. At the end of the year,  
 10 they'll receive a K-1, for tax reporting in  
 11 connection with the investment. And, I don't  
 12 know, I may have mentioned other things that I'm  
 13 forgetting right now, but that's, basically,  
 14 what the -- what it will -- it will be doing.

15 BY MR. CAROLAN:

16 Q. From a practical standpoint, how is that  
 17 different than investing in a mutual fund?

18 MR. COX: Objection to form.

19 THE WITNESS: I mean, there's -- there  
 20 are differences. I mean, but, practically,  
 21 investing is investing, you know? Investing in a  
 22 corporation or a real estate trust or, you know,  
 23 I would say a mutual fund is all -- you know,  
 24 there's investments. I mean, they're all  
 25 businesses, and it's -- it's an ownership

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1 interest in a business, which, in and of itself,  
 2 is a business. So, yeah, I mean, there's a lot  
 3 of similarities.

4 BY MR. FINNERTY:

5 Q. What are the differences that you can  
 6 think of from Hopeman's standpoint?

7 A. From Hopeman's standpoint, the  
 8 differences between a mutual fund and a --

9 Q. In the restructuring transaction.

10 A. Yeah. I mean, the restructuring  
 11 transaction is, like, a single asset. A mutual  
 12 fund might be -- could own anything, but, you  
 13 know, presumably, most commonly, stocks -- a  
 14 basket of stocks. You know, the stocks may  
 15 depreciate or increase in value or decrease in  
 16 value, rather. The stocks may pay a dividend,  
 17 you know, likely lower than the dividend being  
 18 projected in this instance.

19 Those are some differences.

20 Q. Would you agree that one similarity  
 21 is, in both situations, Hopeman would receive a  
 22 periodic update on how the investment's doing?

23 A. Are you -- I want to make sure I heard  
 24 you. That's a similarity, you said?

25 Q. I'm asking if you would agree that would

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1 be one similarity? If Hopeman invested in a  
 2 stock or a mutual fund, on the one hand, and  
 3 went through the restructuring transaction, on  
 4 the other hand, one similarity is Hopeman would  
 5 receive periodic updates on how the investment's  
 6 doing, right?  
 7 A. Yeah. I think a mutual fund, depending  
 8 on structure, probably gives you quarterly or,  
 9 sometimes, semiannual updates on how the  
 10 investment's doing.  
 11 In this instance, I can't recall if it's  
 12 monthly or quarterly that the asset manager would  
 13 provide updates to the investors. And, of  
 14 course, I do know quarterly is when the dividends  
 15 would come -- would be paid out.  
 16 You know, I guess a difference might  
 17 -- well, I don't know. You're asking -- you've  
 18 asked about similarity, right? I don't know that  
 19 you asked about a difference.  
 20 Q. What other differences can you think of?  
 21 A. Well, one difference would be, like,  
 22 you'd probably have more access to the property  
 23 sponsor because you're a smaller -- you know,  
 24 there's a smaller universe of investors so you  
 25 could probably talk to them.

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1 I don't think that a mutual fund, if you  
 2 call Fidelity and say, "I want to talk to the guy  
 3 running the Magellan Fund," that they'd talk to  
 4 you.  
 5 Q. Why would Hopeman talk to the sponsor in  
 6 this case?  
 7 MR. COX: Objection to form.  
 8 THE WITNESS: If they had questions  
 9 about the investment.  
 10 BY MR. FINNERTY:  
 11 Q. What kind of questions do you envision  
 12 Hopeman would have about the investment after the  
 13 restructuring transaction is made?  
 14 A. You know, how is the performance?  
 15 How is the occupancy rates or the re-leasing of  
 16 the properties. Being accretive. Are we hitting  
 17 the projections that are in this plan? You know,  
 18 are we still moving forward with this refinancing  
 19 transaction in three years, and, you know,  
 20 where does that stand? You know, there may be  
 21 correspondence if the sponsor's looking to  
 22 monetize the investment, sell and, you know, kind  
 23 of pay off existing investors. There may be  
 24 decisions to roll the investment into the next  
 25 iteration, if there is one.

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1 Q. So, basically, to summarize, Hopeman  
 2 might have questions about the performance or the  
 3 possibility of making a different investment; is  
 4 that right?  
 5 A. Yeah. I mean, I -- that's concise.  
 6 You know, performance, projections, dividends.  
 7 Q. But Hopeman would have no ability to  
 8 effect the actual business operations of Pines at  
 9 Woodcreek, right?  
 10 A. Yeah. As a limited partner, you're more  
 11 limited, as the name implies, in terms of your  
 12 management discretion.  
 13 Q. Well, are you more limited? I mean,  
 14 would Hopeman have any management discretion at  
 15 all?  
 16 A. No. I don't think it would want it,  
 17 either. I mean, they don't want to get into the  
 18 weeds of, like, we should be re-leasing this  
 19 property at \$1.28 a square foot, not \$1.27 a  
 20 square feet. But, you know, I don't think  
 21 there's -- you know, thinking about the rights  
 22 under a limited partnership, I don't think  
 23 there's that many. I think you must have some  
 24 rights, but I don't know them all off the top of  
 25 my head.

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1 Q. Why do you think Hopeman wouldn't want  
 2 to get into those weeds of, like, should they be  
 3 re-leasing property at \$1.28 a square foot?  
 4 A. Because you're hiring a property manager  
 5 who's more expert in that than you are.  
 6 Q. I want to go back to Exhibit 108, I  
 7 think it was, which is the liquidation analysis.  
 8 I'll see if I can share it here.  
 9 MR. FINNERTY: Ryan, I think you have to  
 10 grant my request to share my screen.  
 11 THE REPORTER: I did. Thank you.  
 12 MR. FINNERTY: Thank you.  
 13 BY MR. FINNERTY:  
 14 Q. Do you see the liquidation analysis,  
 15 Mr. Tully -- or the Disclosure statement?  
 16 A. I do. Yeah. It just came up.  
 17 Q. And I'm going to go back to Page 215  
 18 which we looked at earlier. And these are the  
 19 notes to the liquidation analysis, right?  
 20 A. Yes. They look to be.  
 21 Q. Let me show you the front page, too.  
 22 This is what we reviewed earlier,  
 23 correct?  
 24 A. Yeah. It's -- absolutely. This looks  
 25 familiar.

Exhibit  
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**From:** "Rovira, Joseph" <JosephRovira@hunton.com>  
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**Subject:** RE: HBI - Draft Settlement Term Sheet  
**Attachment:** Settlement Term Sheet (11-25-2024) (002).docx

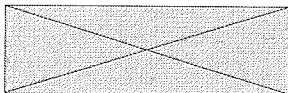
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Jeff,

Thank you for the term sheet. While we understand that Committee's desire to go forward with a 524(g) trust, the proposed term sheet goes far beyond anything we have discussed with the Committee. As we stated on the call last Thursday, the Debtor is open to and will negotiate over the terms of a 524(g) Trust in good faith, but the proposed term sheet locks the Debtor into pursuing that path now, which the Debtor is not in a position to agree to at this time. There are a number of issues that need to be discussed and vetted, including the costs of the FCR and costs associated with a 524(g) trust as compared to current structure, how the Trust will be funded (whether a deal with Chubb is reached or not), the proposed recoveries to claimants under a 524(g) structure, and if a confirmable plan can be proposed given Hopeman has no ongoing business. There is not enough time to work through all these issues before the hearing on the 16<sup>th</sup> and keep the litigation on pause.

We believe the changes in the attached are a better reflection of the discussions we have had to date. Specifically, the attached term sheet (i) puts a pause on litigation; (ii) allows the Resolute settlement to be approved so that there will be sufficient cash to fund the bankruptcy process and a trust, whatever structure may ultimately be proposed and agreed to; (iii) commits that the parties will negotiate in good faith over the terms of a 524(g) trust and other case issues; and (iv) provides for a mediation to occur quickly to see if a deal can be reached with Chubb that the Committee supports. The Debtor must maintain optionality consistent with its fiduciary duties to the estate to see how these various issues play out before committing to a path forward.

Thank you, and please let us know if you have any questions on the attached. Tyler and I can be available to discuss at your convenience once you have reviewed.



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**Subject:** HBI - Draft Settlement Term Sheet

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Tyler and Joseph—Attached is the draft Settlement Term Sheet for Hopeman Brothers, Inc. Best. J.A.L.

**Jeffrey A. Liesemer**

Member

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**SETTLEMENT TERM SHEET FOR HOPEMAN BROTHERS, INC.**

**A. Preamble**

1. This settlement term sheet (“**Term Sheet**”) is executed by and between the debtor and debtor-in-possession Hopeman Brothers, Inc. (“**Debtor**”) and the Official Committee of Unsecured Creditors appointed in the Debtor’s bankruptcy case (“**Committee**”). The Debtor and the Committee are hereinafter collectively referred to as the “**Parties**” and individually referred to as a “**Party**.”

2. This Term Sheet sets forth certain essential terms for addressing the Insurer Settlement Motions scheduled to be heard on December 16, 2024, and of a potential Plan that would settle the liability of the Debtor for Channeled Asbestos Claims. Neither Party is bound to move forward with a Plan containing the terms outlined herein if after good faith negotiations, such party does not deem pursuit of the Plan as in the best interest of the Debtor or its estate. . . **This Term Sheet does not constitute an offer or solicitation for any chapter 11 plan of reorganization within the meaning of § 1125 of the Bankruptcy Code and is being presented for discussion and settlement purposes only.** This Term Sheet is delivered and may be used only in connection with settlement discussions between the Parties and is entitled to protection from any use or disclosure to any party or person under Federal Rule of Evidence 408 and any other rule of similar effect.

3. The full implementation of the settlement set forth in this Term Sheet is subject to (a) the negotiation and execution of definitive documentation in the form of a chapter 11 plan of reorganization and related documents for the Debtor acceptable to all the Parties (“**Plan**”); (b) the entry by the Bankruptcy Court for the Eastern District of Virginia, Richmond Division (“**Bankruptcy Court**”), the United States District Court for the Eastern District of Virginia (“**District Court**”), or the Bankruptcy Court and District Court acting jointly, of an order confirming the Plan (“**Confirmation Order**”); and (c) if the Confirmation Order is entered by the Bankruptcy Court, the entry of a separate order by the District Court affirming the Confirmation Order (“**Affirmation Order**”).

4. Unless defined elsewhere in this Term Sheet, all capitalized terms have the meanings ascribed to them in Section I herein.

**B. Insurer Settlement Motions**

1. Upon execution of this Term Sheet by each of the Parties, and subject to the terms of this Section B, the Committee will not oppose entry of an order granting the Motion of the Debtor for Entry of an Order (I) Approving the Settlement Agreement and Release Between the Debtor and Certain Settling Insurers; (II) Approving the Sale of Certain Insurance Policies; (IV) [*sic*] Issuing an Injunction Pursuant to the Sale of Certain Insurance Policies; and (V) Granting Related Relief, ECF No. 53 (“**Resolute Motion**”)

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2. To the extent changes are made to the proposed form of order filed with the Resolute Motion, the Debtor shall consult with the Committee in good faith over such proposed changes. So long as such changes do not either (i) alter the “Settlement Amount” as defined in the Certain Settling Insurer Settlement Agreement (Ex. A to the Resolute Motion), as such agreement may be amended or modified (“**Resolute Agreement**”); or (ii) expand the scope of the releases and injunctions currently proposed by the Resolute Motion, the Committee agrees that it will not object to approval of the Resolute Motion.

3. The “Settlement Amount,” as defined in the Certain Settling Insurer Settlement Agreement (Ex. A to the Resolute Motion), as such agreement may be amended or modified (“**Resolute Agreement**”), will be paid in accordance with the terms of the Resolute Agreement and, in accordance with section 2.2 of the Resolute Agreement, will be used and disbursed for the resolution of asbestos claims against the Debtor, for allowed administrative expenses of the Debtor’s bankruptcy case, or as otherwise authorized by the Bankruptcy Code and Bankruptcy Rules or by order of the Bankruptcy Court.

4. The Debtor will request that the Court continue or adjourn the hearing, currently set for December 16, 2024, on the Motion of the Debtor for Entry of an Order (I) Approving the Settlement Agreement and Release Between the Debtor and the Chubb Insurers; (II) Approving the Assumption of the Settlement Agreement and Release Between the Debtor and the Chubb Insurers; (III) Approving the Sale of Certain Insurance Policies; (IV) Issuing an Injunction Pursuant to the Sale of Certain Insurance Policies; and (V) Granting Related Relief, ECF No. 9 (“**Chubb Motion**”) to an omnibus hearing date in March 2025.

5. In addition, the Debtor and the Committee will jointly request that all upcoming dates and deadlines set forth in Exhibit 1 to the Second Agreed Order Continuing Hearing on Insurer Settlement Motions and Modifying Discovery/Briefing Schedule[ECF No. 376], be, solely with respect to the Chubb Motion, suspended indefinitely pending the mediation set forth in Section C. If the mediation is unsuccessful, the Parties will meet and confer to resolve open scheduling issues and any new pre-hearing dates and deadlines that need to be calendared for the Chubb Motion.

### **C. Mediation**

1. The Debtor and the Committee will jointly request that the Court order mediation for the purpose of attempting to reach a consensual resolution of the Chubb Motion. The parties to the mediation will be (1) the Debtor, (2) the Committee, (3) Century Indemnity Company and Westchester Fire Insurance Company, and (4) any other entity wishing to participate and as to whom the Debtor and the Committee both consent in writing to their participation.

2. In connection with their joint request for mediation, the Debtor and Committee will request that the Bankruptcy Court, in its discretion, select as mediator a United States bankruptcy judge for the Eastern District of Virginia who (a) has no connection to the Debtor’s bankruptcy case and (b) is willing to serve as mediator at no cost to the Debtor’s bankruptcy estate.

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3. The duration of the mediation will run from entry of the mediation order up to and through January 31, 2025, unless extended by written consent of the Debtor and Committee. If the mediation is extended, the Debtor and Committee shall jointly file a notice with the Bankruptcy Court stating that the Mediation has been continued and the date through which the Mediation has been continued. . The Debtor shall prepare and present the proposed form of mediation order to be tendered to the Court, the form and substance of which shall be acceptable to the Committee.

**D. Future Claims Representative and 524(g) Trust**

The Parties agree to negotiate in good faith over the terms of a Plan that would propose to create a Trust pursuant to section 524(g) of the Bankruptcy Code, including the proposed individual to serve as the legal representative (“FCR”) for purposes of protecting the rights of persons that might subsequently assert Demands, in accordance with 11 U.S.C. § 524(g)(4)(B)(i). If the Parties reach agreement that a Plan pursuant to section 524(g) is the preferred path for the Debtor, the Debtor and the Committee will jointly move for entry of an order appointing an individual mutually acceptable to the Committee and Debtor as the FCR. For the avoidance of doubt, nothing in this Term Sheet binds the Debtor or the Committee to agree to establishment of a trust pursuant to section 524(g) of the Bankruptcy Code as part of any Plan that may ultimately be agreed to by the Parties.

**E. Certain Matters Relating to the Plan**

1. The Parties agree to negotiate in good faith and work cooperatively to consider proposing a Plan that would include terms, provisions, and conditions that (a) satisfy the requirements of 11 U.S.C. § 524(g), and (b) are acceptable to the Parties and the FCR, if an FCR is ultimately appointed.

2. The Parties agree that if the Debtor and Committee reach an agreement on a proposed Plan, the Debtor, the Committee, and the FCR (if one is appointed) will be co-proponents of such agreed Plan (“**Plan Proponents**”) and that the Debtor will assume primary responsibility for drafting the Plan, the disclosure statement, and any other documents related to the Plan other than any documents associated with the Trust. The Parties further agree that the Committee and the FCR (if one is ultimately appointed) will assume primary responsibility for drafting all documents associated with the Trust, including the trust agreement and the trust distribution procedures. The final forms of the Plan, the disclosure statement, and all other documents related to the Plan must be acceptable to the Parties if an agreement is ultimately reached. The final forms of the trust agreement, the trust distribution procedures, and all other documents related to them must be acceptable to the Parties if an agreement is ultimately reached.

3. To the fullest extent permitted by applicable law and to the extent the Parties ultimately agree to the terms of a proposed Plan and Confirmation Order, the Plan and the Confirmation Order shall, for any act taken or omitted to be taken in connection with the Plan,

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the disclosure statement, the Bankruptcy Case or any document created or entered into in connection with the Plan, (a) provide for the full release by claimants and creditors (solely in their capacities as such) of all claims arising on or before the Effective Date that such claimants and creditors may have against the Plan Proponents, their professionals (acting in such capacity) and the Protected Parties, and (b) exculpate the Plan Proponents and their professionals (acting in such capacity) from any liability to any entity. Notwithstanding the foregoing, no release of the Parties or their professionals shall diminish, reduce, or eliminate the duties or obligations of any Asbestos Insurer under any Asbestos Insurance Policy or asbestos-related settlement agreement or coverage-in-place agreement.

4. To the extent the Parties reach an agreement on a proposed Plan and Confirmation Order and, in addition to the Asbestos Channeling Injunction, the Plan will include releases of claims and exculpations, for the Protected Parties, the terms of which shall be subject to the consent of each of the Plan Proponents, which consent shall not be unreasonably withheld.

5. To the extent the Parties reach an agreement on a proposed Plan and Confirmation Order, the Committee will, in its sole discretion, select and identify the persons to be appointed as members of the Trust's trust advisory committee ("TAC").

## F. Defined Terms<sup>1</sup>

As used in this Term Sheet, capitalized terms have the meanings set forth below:

1. "**Affiliate**" means an "affiliate," as defined in 11 U.S.C. § 101(2).
2. "**Asbestos Claim**" means an Asbestos Personal Injury Claim or an Asbestos Indirect Claim.
3. "**Asbestos Indirect Claim**" means any "claim" (as defined in 11 U.S.C. § 101(5)) asserted by an entity that is not an Asbestos Insurer for contribution, reimbursement, indemnification, or subrogation, or any other indirect or derivative recovery, on account of or with respect to any Asbestos Personal Injury Claim.
4. "**Asbestos Insurance Assets**" means any and all of the Debtor's rights, title, privileges, interests, claims, demands, or entitlements to any Proceeds, payments, initial or supplemental dividends, scheme payments, supplemental scheme payments, state guaranty fund payments, causes of action, and choses in action under, for, or related to the following: (a) the Asbestos Insurance Settlements; (b) the Asbestos Insurance Policies; or (c) the Asbestos

<sup>1</sup> NTD: Update defined Terms based on where term sheet ultimately lands]

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Insurance Coverage. For the avoidance of doubt, the term “Asbestos Insurance Assets” includes all rights to coverage and insurance proceeds under the Asbestos Insurance Policies that are related to coverage for Asbestos Claims, together with all rights to insurance coverage and insurance proceeds related to Asbestos Claims under any settlement agreements, or other agreements or stipulations, as well as the right, on behalf of the Debtor, to compromise with or grant a full release to one or more of the Asbestos Insurers of any such insurance rights, whether under any such policy, agreement, or stipulation.

5. **“Asbestos Insurance Coverage”** means all rights, title, privileges, interests, claims, demands, benefits, or entitlements to Proceeds, payments, indemnity, or reimbursement under any Asbestos Insurance Policy relating to a Channeled Asbestos Claim.

6. **“Asbestos Insurance Policy”** means any insurance policy that provides or potentially provides for Asbestos Insurance Coverage; *provided, however*, that the term “Asbestos Insurance Policy” shall not include any rights or obligations under any insurance policy to the extent, but only to the extent, that such rights or obligations pertain solely to coverage for workers’ compensation claims.

7. **“Asbestos Insurance Settlement”** means each agreement (a) that an Asbestos Insurer and the Debtor have entered into prior to the Effective Date (b) that the Committee and the FCR have consented to and determined in writing to be sufficiently comprehensive to warrant that such Asbestos Insurer receive the protections of a Settling Insurer under § 524(g) of the Bankruptcy Code, and (c) that is approved by final order of the Bankruptcy Court.

8. **“Asbestos Personal Injury Claim”** means any “claim” (as defined in 11 U.S.C. § 101(5)) or allegation or portion thereof against, or any debt, liability, or obligation of, the Debtor, whether now existing or hereafter arising, whether in the nature of or sounding in tort, or under contract, warranty, or any other theory of law, equity, or admiralty for, arising out of, resulting from, or attributable to, directly or indirectly, death, bodily injury, sickness, disease, or any other actual or alleged personal injury, physical, emotional, or otherwise, to persons, caused or allegedly caused, directly or indirectly, by the presence of, or exposure to, asbestos, including asbestos-containing products or materials engineered, designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any other way used by the Debtor or any other entity for whose products or operations the Debtor has liability or is alleged to have liability, but only to the extent arising, directly or indirectly, from acts, omissions, business, or operations of the Debtor (including the acts, omissions, business, or operations of any other entity for whose products or operations the Debtor has liability, but only to the extent of the Debtor’s liability for such acts, omissions, business, or operations), including all related claims, debts, obligations, or liabilities (such as any claim or demand for compensatory damages; loss of consortium; medical monitoring; wrongful death; survivorship; proximate, consequential, general, special, or punitive damages).

9. **“Channeled Asbestos Claims”** means, collectively, the Asbestos Claims and Demands. For the avoidance of doubt, Channeled Asbestos Claims includes, but is not limited to, prepetition claims.

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10. **“Demand”** means a “demand,” as defined in 11 U.S.C. § 524(g)(5), against the Debtor.

11. **“Non-Settling Insurer”** means any Asbestos Insurer that is not a Settling Insurer. For the avoidance of doubt, notwithstanding any provision herein to the contrary, the term “Non-Settling Insurer” shall include Liberty Mutual Insurance Company.

12. **“Protected Party”** shall mean any of the following entities:

- (a) the Debtor or the reorganized Debtor;
- (b) current and former directors, officers, or employees of the Debtor, the reorganized Debtor, or any past or present Affiliate of the Debtor, solely in their respective capacities as such; or
- (c) any Settling Insurer, solely in its capacity as such.

13. **“Settling Insurer”** means any Asbestos Insurer that has entered into an Asbestos Insurance Settlement.

#### **G. Cooperation, Confidentiality, and Settlement**

1. The Parties shall use their commercially reasonable best efforts to negotiate over the terms of the Plan contemplated by this term sheet but are under no obligation to pursue such Plan at this time. If agreement on the terms of the Plan is reached by the Parties, the Parties agree to use commercially reasonable best efforts to obtain confirmation and consummation of the Plan consistent with the terms described above, and to not directly or indirectly support efforts by other parties to hinder, delay, or oppose prompt confirmation of the Plan to extent a Plan is ultimately agreed to by the Parties.

2. The Parties shall treat all negotiations regarding this Term Sheet as confidential. Without the prior written consent of all the Parties and until such time as the Term Sheet is publicly disclosed as provided herein or below, neither the contents nor the existence of this Term Sheet shall be disclosed by any Party, either orally or in writing, except to each Party’s members, directors, officers, employees, legal counsel, financial advisors, accountants, and clients on a confidential basis, or except (a) when and if necessary to apprise and engage in discussions with the FCR, if appointed in the Debtor’s bankruptcy case, and any professionals that might be employed by any such FCR with the Bankruptcy Court’s approval; (b) when necessary to comply with court orders; (c) in an action to enforce the terms and provisions of the Term Sheet itself, and (d) to the extent necessary to inform Chubb of the continuance of the hearing on the Chubb Motion and the proposed Mediation described above.

3. Further, without the prior written consent of all the Parties, the contents of any documents contemplated hereby shall not be disclosed by any Party, either orally or in writing,

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For Discussion Purposes Only  
Confidential

except to each Party's members, directors, officers, employees, legal counsel, financial advisors, accountants, and clients on a confidential basis, or except (a) when and if necessary to apprise and engage in discussions with the FCR appointed in the Debtor's bankruptcy case and the professionals employed by the FCR with the Bankruptcy Court's approval; (b) when necessary to comply with court orders; or (c) when required to commence or proceed with approval and consummation of the settlement in the Bankruptcy Court or the District Court. The contents of these documents shall be used solely for the purpose of consummating the settlement contemplated hereunder. Any members, directors, officers, employees, legal counsel, financial advisors, accountants, and clients receiving the information shall similarly maintain the confidentiality of the contents of any documents contemplated hereby upon the same terms and use these contents solely for the purpose of consummating the settlement contemplated hereunder.

4. Neither this Term Sheet nor the settlement set forth herein constitutes, and shall not be construed, interpreted, or otherwise read to constitute any admission by the Parties.

5. The rules of construction set forth in 11 U.S.C. § 102 shall govern the interpretation or construction of this Term Sheet, and the laws of the Commonwealth of Virginia shall govern such interpretation or construction in all other respects.

6. This Term Sheet may be amended only by written agreement executed by each of the Parties.

7. This Term Sheet may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

#### **H. Termination of the Term Sheet**

1. This Term Sheet may be terminated at any time by the written agreement of all the Parties.

2. Unless all the Parties consent in writing to extend such date (and such consent shall not be unreasonably withheld), this Term Sheet shall terminate within thirty (30) days following the conclusion of the proposed Mediation.

3. Upon termination under Section K.1 or Section K.2 above, the Term Sheet shall be of no further force and effect.



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**I. Execution Date**

This Term Sheet is executed as of 11/25/2024, 2024.

**AGREED AND ACCEPTED BY:**

**HOPEMAN BROTHERS, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Counsel to the Debtor

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Counsel to the Committee

Message

**From:** Santelle, Patricia  
**Sent:** Thursday, December 5, 2024 1:49 PM  
**To:** Rovira, Joseph ; Brown, Tyler ; Leslie A. Davis  
**Subject:** Re: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Thanks for the quick response. We can discuss further tomorrow but, as I advised the other day, our client is concerned that they are not being consulted and that could have (or already may have had) negative repercussions for them.

Patti

**Patricia B. Santelle, Chair Emeritus**

1650 Market Street | One Liberty Place, Suite 1800 | Philadelphia, PA 19103-7395

Direct 215.864.6205 | Fax 215.789.7505

[santellep@whiteandwilliams.com](mailto:santellep@whiteandwilliams.com) | [whiteandwilliams.com](http://whiteandwilliams.com)

---

**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>

**Sent:** Thursday, December 5, 2024 1:33:12 PM

**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Patti,

There is no provision for 524. The Committee wants us to discuss that as part of negotiations over a Plan and the Debtor agreed to discuss it. That's it.

HBI164843

The term sheet doesn't say we can give Chubb a copy without the Committee's consent, it says we can disclose its existence to the extent necessary to inform Chubb of the continuance. We then, at your request, asked for consent to share the term sheet and got it. Why are you still complaining or making comments about it?

**HUNTON**  
ANDREWS KURTH

**Joseph Rovira**

Partner

[josephrovira@huntonak.com](mailto:josephrovira@huntonak.com)

p 713.220.4609

[bio](#) | [vCard](#)

Hunton Andrews Kurth LLP

600 Travis Street

Suite 4200

Houston, TX 77002

[HuntonAK.com](http://HuntonAK.com)

**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>

**Sent:** Thursday, December 5, 2024 11:59 AM

**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Subject:** Re: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Thanks, Joseph. Not sure why it couldn't have been disclosed at least to Chubb without having to run it by the committee since there is a provision for that. **But more importantly, and we are already hearing from Chubb on this, we don't understand why there is provision for 524(g) and will need to discuss that tomorrow as well.**

Patti

**Patricia B. Santelle, Chair Emeritus**

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Direct [215.864.6205](tel:215.864.6205) | Fax [215.789.7505](tel:215.789.7505)

[santellep@whiteandwilliams.com](mailto:santellep@whiteandwilliams.com) | [whiteandwilliams.com](http://whiteandwilliams.com)

**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>

**Sent:** Thursday, December 5, 2024 9:32:40 AM

**To:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Patti and Leslie,

We heard back from the Committee and they agreed that both the Chubb Insurers and Resolute Insurers can stand down on discovery.

Also, attached is a copy of the term sheet.

Thanks.

HUNTON  
ANDREWS KURTH

**Joseph Rovira**  
Partner  
josephrovira@huntonak.com  
p 713.220.4609  
[bio](#) | [vCard](#)

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600 Travis Street  
Suite 4200  
Houston, TX 77002

[HuntonAK.com](#)

---

**From:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>  
**Sent:** Wednesday, December 4, 2024 3:40 PM  
**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>  
**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]  
**Why don't we plan on 1:30 p.m. ET Friday. Thanks.**

---

**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Sent:** Wednesday, December 4, 2024 4:23 PM  
**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>  
**Subject:** Re: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Leslie and Tyler, are you available Friday? I am other than 3-4 pm.  
Patti

**Patricia B. Santelle, Chair Emeritus**

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Direct [215.864.6205](tel:215.864.6205) | Fax [215.789.7505](tel:215.789.7505)

[santellep@whiteandwilliams.com](mailto:santellep@whiteandwilliams.com) | [whiteandwilliams.com](http://whiteandwilliams.com)

---

**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Sent:** Wednesday, December 4, 2024 3:59:34 PM  
**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>  
**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]  
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My schedule is pretty open on Friday.

HUNTON  
ANDREWS KURTH

**Joseph Rovira**  
Partner  
josephrovira@huntonak.com  
p 713.220.4609  
[bio](#) | [vCard](#)

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600 Travis Street

Suite 4200  
Houston, TX 77002

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**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Sent:** Wednesday, December 4, 2024 2:38 PM  
**To:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>  
**Cc:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Subject:** Re: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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I'm pretty booked up tomorrow afternoon - do you want to try for Friday?

Patti

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[santellep@whiteandwilliams.com](mailto:santellep@whiteandwilliams.com) | [whiteandwilliams.com](http://whiteandwilliams.com)

---

**From:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>  
**Sent:** Wednesday, December 4, 2024 3:27:42 PM  
**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>  
**Cc:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]  
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I could join a call at 4:30 p.m. today, but if tomorrow works fine for you two, I will have more time then.

---

**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Sent:** Wednesday, December 4, 2024 2:45 PM  
**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>  
**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Leslie and I are generally available this afternoon. I have a hard stop at 5 p.m. ET. Thanks.

Patti

**Patricia B. Santelle, Chair Emeritus**

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Direct 215.864.6205 | Fax 215.789.7505

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**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>

**Sent:** Wednesday, December 4, 2024 11:12 AM

**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>

**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

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Patti,

We have made the request to the Committee to share the term sheet and to confirm discovery is abated and have not heard back. On the discovery piece, while we were happy to make the request for confirmation, I suggest you also reach out to Committee counsel if it is that large of a concern for your clients. That isn't really the Debtor's fight.

We are available to discuss the objections. Tyler and I are both available generally this afternoon or tomorrow afternoon, what times works for you?

We will follow up with the client on the qualified settlement fund. I would also note that we can add language to the order that just directs the funds are paid to the Debtor's DIP account (or perhaps a segregated new DIP subaccount) authorized under the Cash Management Order if necessary. Use of those funds would still be subject to further Court order.

Lastly, your continued implication that the Debtor is not complying with its obligations under the settlement agreements is disingenuous and not productive. We have kept you current on developments and consulted with you promptly upon your requests consistent with our obligations under the agreements and any implication to the contrary is waste of everyone's time. Let's focus on the real issues and see if there is a resolution that works for everyone and not waste time with pointless posturing.

Thanks.

**Joseph Rovira**  
Partner  
[josephrovira@huntonak.com](mailto:josephrovira@huntonak.com)  
p 713.220.4609  
[bio](#) | [vCard](#)

Hunton Andrews Kurth LLP  
600 Travis Street  
Suite 4200  
Houston, TX 77002

[HuntonAK.com](http://HuntonAK.com)

**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>

**Sent:** Tuesday, December 3, 2024 8:24 PM

**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>

**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Subject:** RE: Hopeman - Outstanding Issues/Next Steps [WWLLP-PHLDMS1.FID393692]

**Importance:** High

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Tyler and Joseph –

This is to follow-up on our conversation yesterday.

First, if you haven't already, please:

1. Request that the Settling Insurers can receive a copy of the final executed term sheet between Hopeman and the Committee; and
2. Confirm that the Committee agrees that discovery is at a standstill between it and the Settling Insurers.

Second, please let us know when you are available to talk about proposed resolution of the pending objections to the insurer settlements and any other issues which may be addressed at the hearing currently scheduled for December 16.

Third, to the extent that you suggested that AIG, CNA, and Gen Re be prepared to make payment ASAP if their settlement agreement is approved, please identify the payee and provide wiring instructions – pursuant to the settlement agreement, “if the Liquidating Trust is not yet effective or otherwise unable to receive payment of the Settlement Amount on the Payment Date, [payment shall be made] to a qualified settlement fund established pursuant to Section 1.468B-1 et seq. of the Internal Revenue Code.”

Last but not least, this is to remind Hopeman of its obligation under the settlement agreements:

“to reasonably cooperate with [Settling] Insurers and their representatives in connection with the Approval Order and the Bankruptcy Case. Such reasonable cooperation shall include consulting with [Settling] Insurers at their request concerning the status of the Bankruptcy Case, including the status of the Motion or any objections to the Motion, and providing [Settling] Insurers at their request as soon as reasonably practicable with copies of non-privileged documents that are not otherwise filed as of public record relating to the Bankruptcy Case, the Motion, or the service of the Motion.

We expect complete and prompt compliance with these terms. Thank you.

Patti

**Patricia B. Santelle, Chair Emeritus**

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---

**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>

**Sent:** Monday, December 2, 2024 10:48 AM

**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>

**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>

**Subject:** RE: Hopeman [WWLLP-PHLDMS1.FID393692]

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Patti,

3:30 p.m. eastern works for us. Thanks.

**Joseph Rovira**  
Partner  
josephrovira@huntonak.com  
p 713.220.4609  
[bio](#) | [vCard](#)

Hunton Andrews Kurth LLP  
600 Travis Street  
Suite 4200  
Houston, TX 77002

[HuntonAK.com](#)

**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Sent:** Monday, December 2, 2024 8:54 AM  
**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Subject:** RE: Hopeman [WWLLP-PHLDMS1.FID393692]

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Thanks, Joseph. Leslie and I are available this afternoon:

1:30 – 2 p.m. ET

3:30 p.m. ET – on

Patti

**Patricia B. Santelle, Chair Emeritus**

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Direct 215.864.6205 | Fax 215.789.7505

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**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Sent:** Monday, December 2, 2024 9:28 AM  
**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Subject:** RE: Hopeman [WWLLP-PHLDMS1.FID393692]

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Patti,

I am generally free this afternoon other than 1:00 p.m. to 2:00 p.m. central. I am also generally free tomorrow before 3:30 p.m. central.

Thanks.



**Joseph Rovira**  
Partner  
josephrovira@huntonak.com  
p 713.220.4609  
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**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Sent:** Monday, December 2, 2024 8:01 AM  
**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Subject:** RE: Hopeman [WWLLP-PHLDMS1.FID393692]  
**Importance:** High

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Joseph, we need to set up a time to discuss the status of this overall. I haven't checked with Leslie on her availability, but please advise on your end as to today and/or tomorrow at the latest. Thank you.  
Patti

**Patricia B. Santelle, Chair Emeritus**

1650 Market Street | One Liberty Place, Suite 1800 | Philadelphia, PA 19103-7395  
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**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Sent:** Monday, November 25, 2024 11:08 AM  
**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Subject:** RE: Hopeman

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Patti,

Yes, we had a discussion with them but did not get their formal proposal as of yet. We were told we would have a term sheet by today, but have not received it yet. Once we actually see the term sheet and discuss with our client, we will follow up with you.

Thanks.

**Joseph Rovira**  
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**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Sent:** Monday, November 25, 2024 9:37 AM  
**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Subject:** Re: Hopeman

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Hi Joseph, I'm following up to see if you had the discussion with the committee regarding their proposal - please advise. Thanks.

Patti

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**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>  
**Sent:** Wednesday, November 20, 2024 6:47:57 PM  
**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>  
**Cc:** Leslie A. Davis <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Subject:** Re: Hopeman

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Patti,

12:30 eastern works. Thanks.

**Joseph Rovira**

Partner

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On Nov 20, 2024, at 4:01 PM, Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)> wrote:

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Sorry I missed the window today - for tomorrow , we should be available between 12:30-2:30 ET.  
Thanks!

Patti

**Patricia B. Santelle, Chair Emeritus**

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**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>

**Sent:** Wednesday, November 20, 2024 12:07:26 PM

**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Davis, Leslie A. <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Cc:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>

**Subject:** RE: Hopeman

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Sure. I am free after 2:30 p.m. central today. I am also generally free tomorrow after 10:00 a.m. central.

**Joseph Rovira**

Partner

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---

**From:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>

**Sent:** Wednesday, November 20, 2024 11:01 AM

**To:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>; Davis, Leslie A. <[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Cc:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>

**Subject:** Re: Hopeman

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Joseph, thank you for your email. I had emailed you all last week to set up a time to talk and had not heard back – can we speak before you speak to the committee? Thank you.

Patti

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**From:** Rovira, Joseph <[JosephRovira@andrewskurth.com](mailto:JosephRovira@andrewskurth.com)>

**Sent:** Wednesday, November 20, 2024 11:40:01 AM

**To:** Santelle, Patricia <[Santellep@whiteandwilliams.com](mailto:Santellep@whiteandwilliams.com)>; Davis, Leslie A.  
<[Leslie.Davis@troutman.com](mailto:Leslie.Davis@troutman.com)>

**Cc:** Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>

**Subject:** Hopeman

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Patti and Leslie,

I hope you are doing well. The Committee requested a one-week extension for the hearing on the 9019 Motions because they intend to make a proposal that would resolve their objections this week. They asked for the additional time so they could focus on the proposal and allow for discussion. After confirming the court could hear us on continued hearing dates of December 16-17, we agreed to a one-week extension with the Committee on the hearing dates and will be uploading the attached order later today. We have a call scheduled Friday with the Committee to discuss their proposal. Thank you.

**Joseph Rovira**

Partner

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<p style="text-align: right;">Page 22</p> <p>1 solvent entity capable of being out of 2 bankruptcy, I think the answer is no. 3 Q And after the conclusion of the 4 bankruptcy process, to your knowledge, is 5 Hopeman going to have an ongoing business? 6 MR. COX: Object to the form of 7 the question. 8 Go ahead. 9 A My understanding is is that the -- 10 the business of Hopeman will meet the 524(g) 11 requirements in order to be a functioning trust 12 under 524(g) and that there will be a 13 Reorganized Hopeman as well. 14 Q What's your understanding of 524(g) 15 requirements that -- 16 MR. COX: Object to the -- calls 17 for a legal conclusion. It's overbroad. And 18 to the extent that you can answer that question 19 without divulging privileged communications, 20 Mr. Branham, go ahead and answer. 21 MR. FINNERTY: David, I would 22 say two things. First, I didn't finish my 23 question yet, and so -- 24 MR. COX: It was really, really 25 objectionable, so I had to jump in, Kevin. No,</p>	<p style="text-align: right;">Page 24</p> <p>1 I think we all understand here 2 that where that understanding came from came 3 from counsel. And so what I'm not going to do 4 is tell you how I came to that understanding. 5 So understand that my goal here 6 is not to be obstructionist, but the very 7 nature of your topics, by definition, require 8 the disclosure of all kinds of privileged 9 information. 10 So I'm going to try to answer 11 them at a high level, but I'm not going to get 12 into the -- the details of how I know that, 13 because that comes directly from counsel and 14 counsel discussions. 15 Q And I'm not asking for information 16 that you learned from your counsel -- 17 A And I'm not suggesting you are, but I 18 just sort of want to put it up front, I think 19 we all understand it, that -- that, you know -- 20 again, I'm not a bankruptcy lawyer, and where 21 the understanding of how this will satisfy the 22 rule -- the requirements of 524(g) come 23 directly from discussions with counsel. 24 And so I want to tell you that I 25 believe that it is true that -- that the --</p>
<p style="text-align: right;">Page 23</p> <p>1 go ahead. I'm sorry to have interrupted you. 2 You can restate the question. 3 BY MR. FINNERTY: 4 Q Mr. Branham, you just testified that 5 it's your understanding that following the 6 conclusion of bankruptcy, Hopeman will meet the 7 requirements of 524(g). 8 Do you remember testifying to 9 that? 10 A Just a second ago, yes. 11 Q Yes. 12 So what is your understanding of 13 the requirements of Section 524(g) as it 14 pertains to an ongoing business? 15 MR. COX: Same objection. 16 A So my understanding comes from 17 discussions with counsel, and so what I am not 18 going to do is tell you how I came to that 19 understanding. 20 Kevin, what I'm trying to do 21 here is walk a -- a pretty fine line to give 22 you the answers that I can give you without 23 violating any privileges. And so I gave you 24 the answer that I understand that that will be 25 the case.</p>	<p style="text-align: right;">Page 25</p> <p>1 that the -- at the end of this it will satisfy 2 the requirements of 524(g). 3 What I'm not going to tell you 4 is the how and the why I think that. 5 Q Understood. 6 I was just trying to understand 7 your testimony. Let me ask you a different 8 question. 9 Could you tell me everything you 10 know about the business that Hopeman will be 11 engaged in after the conclusion of the 12 bankruptcy? 13 MR. COX: Object to the form of 14 the question. 15 A I'm pretty sure that it's been laid 16 out in -- in the plan, and I don't have any 17 knowledge beyond that. 18 Q You personally don't have any 19 knowledge beyond what's laid out in the plan or 20 the committee doesn't have any knowledge beyond 21 what's laid out in the plan? 22 A I guess what I would -- let me -- let 23 me -- 24 I don't have any knowledge 25 beyond what is laid out in the plan that I can</p>

<p style="text-align: right;">Page 26</p> <p>1 share with you.</p> <p>2 Q Did you play any role in identifying</p> <p>3 the investment that's contemplated in the plan?</p> <p>4 A So are you asking me if during</p> <p>5 committee meetings where counsel was present we</p> <p>6 had discussions about the kind of business that</p> <p>7 was going to be considered by the committee?</p> <p>8 Is that what you're asking?</p> <p>9 Q I'm asking whether you played any</p> <p>10 role in identifying the investment opportunity</p> <p>11 that's discussed in the plan?</p> <p>12 A To the extent that I was counsel to</p> <p>13 Ms. Beerman, yes.</p> <p>14 Q And what role did you play?</p> <p>15 A I was counsel to Ms. Beerman, who</p> <p>16 sits on the committee, while the topic was</p> <p>17 discussed.</p> <p>18 Q What role did the committee play in</p> <p>19 identifying the investment opportunity</p> <p>20 discussed in the plan?</p> <p>21 A They were involved, and I'm not going</p> <p>22 to tell you beyond that.</p> <p>23 Q How many communications were you</p> <p>24 involved in relating to the investment</p> <p>25 opportunity discussed in the plan?</p>	<p style="text-align: right;">Page 28</p> <p>1 Did it often get used? Yes. And do -- did we</p> <p>2 have committee meetings that were unscheduled?</p> <p>3 To my recollection, yes.</p> <p>4 So that's as good as I can do</p> <p>5 for you in terms of time periods.</p> <p>6 Q Okay.</p> <p>7 And is it fair to say that, in</p> <p>8 general, you attended these meetings?</p> <p>9 A Yes.</p> <p>10 Q Do you know the name of the property</p> <p>11 that the plan contemplates an investment in?</p> <p>12 A Do not.</p> <p>13 Q Do you know where it is?</p> <p>14 A Do not.</p> <p>15 Q Do you know what state it's in?</p> <p>16 A I do not.</p> <p>17 Q Do you know the percentage investment</p> <p>18 into the property that is being proposed with</p> <p>19 respect to Hopeman?</p> <p>20 A Do not.</p> <p>21 Q Do you know how much that investment</p> <p>22 is expected to return?</p> <p>23 A I do not.</p> <p>24 Q Do you know anything about the</p> <p>25 investment whatsoever?</p>
<p style="text-align: right;">Page 27</p> <p>1 MR. COX: Object to the form of</p> <p>2 the question.</p> <p>3 A I don't have -- I don't have any sort</p> <p>4 of accurate number or even an estimate in terms</p> <p>5 of if you're looking for a numerical estimate.</p> <p>6 I can tell you that the topic</p> <p>7 was discussed extensively.</p> <p>8 Q When was it discussed?</p> <p>9 A During committee meetings.</p> <p>10 Q When did those committee meetings</p> <p>11 take place?</p> <p>12 A Usually once a week over the course</p> <p>13 of the bankruptcy process. Sometimes more</p> <p>14 often than that if counsel -- if counsel felt</p> <p>15 the need to convene the committee to get their</p> <p>16 input.</p> <p>17 Q And -- so committee meetings happen</p> <p>18 once a week or more often; is that right?</p> <p>19 A So, again, they were often scheduled</p> <p>20 once a week. Lots of these folks are either</p> <p>21 busy living their own lives, and so it makes</p> <p>22 sense to try and set up a regular committee</p> <p>23 meeting time so that that time is available to</p> <p>24 be used.</p> <p>25 Did it always get used? No.</p>	<p style="text-align: right;">Page 29</p> <p>1 A Just what I've told you and what's</p> <p>2 contained within the plan.</p> <p>3 Q Right.</p> <p>4 Do you think some of the things</p> <p>5 I just asked are contained in the plan?</p> <p>6 A Don't know. Haven't -- I mean, we</p> <p>7 can go pull the plan if you want.</p> <p>8 Q I'm looking for the committee's</p> <p>9 knowledge about the investment opportunity</p> <p>10 that's been identified. You can --</p> <p>11 A The committee's knowledge comes from</p> <p>12 the documents that have been provided to you</p> <p>13 and communications that are privileged, which</p> <p>14 I've already told you that I'm not going to</p> <p>15 discuss.</p> <p>16 So, you know, that's the answer.</p> <p>17 Q So prior to the existence of the</p> <p>18 documents that have been provided to us, the</p> <p>19 committee had no knowledge with respect to the</p> <p>20 investment opportunity?</p> <p>21 A Kevin, I've taken a lot of</p> <p>22 depositions. You know that's not what I said.</p> <p>23 And -- and I don't appreciate the -- the</p> <p>24 attempt to recast my words into something that</p> <p>25 I didn't say.</p>

Page 70

1 Do you see that?  
2 A Yes.  
3 Q So as a proposed member of the TAC,  
4 how do you understand that duty?  
5 A I'm not going to get into  
6 interpreting the document. The document says  
7 what it says.  
8 Q Independent of the document, do you  
9 have any understanding of what your duty would  
10 be as a proposed member of the TAC?  
11 A As a lawyer do I have legal thoughts  
12 and processes related to that, yeah. But those  
13 are -- those are my legal thoughts and  
14 processes.  
15 The question here is what --  
16 what does the document require and what duties  
17 mandated under the document, and the document  
18 says what the document says.  
19 What I think is not relevant.  
20 Q Well, the UCC is a proponent of the  
21 plan and the trust agreement, right?  
22 A And if we're going to argue about it,  
23 then we'll argue about what the language says,  
24 and the language says what it says.  
25 And so the -- the committee's

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1 view is that the duties are laid out within the  
2 document, and that's the governing document and  
3 that's the language that matters.  
4 Q Do you agree that the TAC and  
5 trustees as set forth in this document owe  
6 fiduciary duties to different entities?  
7 MR. COX: Objection to the form  
8 of the question.  
9 A What -- what entities -- which  
10 entities do they owe fiduciary duty to?  
11 I mean, help me out. You got to  
12 be more specific.  
13 Q Well, we just read the trustees'  
14 fiduciary duties are owed to the trust, right?  
15 And the TAC's fiduciary duties are owed to all  
16 holders of present channeled asbestos claims,  
17 right?  
18 A That's what it says.  
19 Q So in your view, are those duties  
20 identical?  
21 A It's not what my view is. It's what  
22 the document says.  
23 Q I'm asking for your view, though.  
24 A You have --  
25 MR. COX: You're asking a lawyer

Page 72

1 about his mental thoughts and impressions.  
2 You're getting into core work product, Kevin.  
3 I mean --  
4 MR. FINNERTY: I'm also asking  
5 the committee about a document that it's the  
6 proponent of and --  
7 MR. COX: Sure. And he's  
8 answered as a committee member and now you're  
9 asking him about his own thoughts -- he's  
10 answered on behalf of the committee and now  
11 you're asking about his thoughts and  
12 impressions as a -- as a potential trustee, so  
13 I think you're -- I think you're -- you know,  
14 I -- I -- I think you're blurring some of these  
15 distinctions.  
16 BY MR. FINNERTY:  
17 Q Have you answered on behalf of the  
18 committee, Mr. Branham?  
19 A I have.  
20 Q And the committee's view is the  
21 document says what it says, right?  
22 A Correct.  
23 Q Do you know why you were selected as  
24 a member of the TAC?  
25 A Yes.

Page 73

1 Q Why?  
2 A That's privileged.  
3 Q Why is that privileged?  
4 A Because it was decided within the  
5 context of the committee meeting.  
6 Q Okay.  
7 But leaving aside the content of  
8 the communication from the committee meeting,  
9 is there a fact evincing why you were selected  
10 as a member of the TAC?  
11 A There is nothing that I can tell you  
12 that is not privileged about why I was selected  
13 as the committee -- as one of the TAC members.  
14 Q So how about any of the other TAC  
15 members? Is there anything you can tell me  
16 about why any of them were selected?  
17 A Not outside of the committee  
18 privileged context.  
19 Q So it's the committee's position it  
20 can't tell anybody, the court or otherwise, why  
21 any of the TAC members were selected?  
22 A It is the committee's position that  
23 that information is subject to privilege.  
24 Q Meaning the committee won't explain  
25 why the TAC members were selected; is that

Page 74

1 fair?  
2 MR. COX: Objection to the form  
3 of the question.  
4 A As you and I both know, if -- you  
5 know, there are methods of abrogating the  
6 privilege, and if a court were to order me to  
7 disclose privileged information after the  
8 proper due process, motions practice and all  
9 the rest of that stuff, I would certainly  
10 comply with what a court said.  
11 But in the absence of a court  
12 order, the discussions, the reasoning and the  
13 selection process was had during the process of  
14 committee meetings with the presence and advice  
15 of counsel. And as a result, I'm not going to  
16 answer the question.  
17 Q Do you know whether any committee  
18 members know any facts considering why TAC  
19 members were selected?  
20 And, again, not were there  
21 communications and what was said during those  
22 communications, but if a committee member were  
23 being deposed, do they know any factors that  
24 were considered or factors that bear on the  
25 question of whether any TAC member was

Page 75

1 selected?  
2 A So you're asking me to tell you what  
3 individual committee members know, a factual  
4 basis, and answer for them.  
5 Q No, no.  
6 I'm asking if you know whether  
7 they know any of those facts. Not to answer  
8 for them but whether you know if any of the  
9 committee members know any facts concerning why  
10 members of the TAC were selected.  
11 A So what I can tell you is is that to  
12 the best of my knowledge, anything that a  
13 committee member has learned about this process  
14 has come -- factual or otherwise, has come  
15 during the process of committee meetings and  
16 only during the process of committee meetings  
17 or discussions with their counsel.  
18 And as a result, I can't imagine  
19 a scenario in which that information would not  
20 be privileged.  
21 But that's just me. I mean, I  
22 haven't done the legal analysis or anything  
23 else.  
24 Q The question was do you know whether  
25 they know any facts.

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1 A I think I've answered your question.  
2 Q You said "if they do, it would be  
3 privileged."  
4 You didn't actually say whether  
5 you think they know any facts.  
6 A I'm not going to tell you what I  
7 think somebody knows about facts.  
8 You asked me whether or not I  
9 know if they know facts, and I've answered your  
10 question.  
11 Q I don't think you have. You said it  
12 would have been privileged but you didn't say  
13 whether or not you know, though.  
14 And as the representative of the  
15 committee, I'm just wondering if you do know.  
16 If you don't, that's fine, I'll move on. But I  
17 don't think you have answered the question.  
18 MR. COX: How is he supposed to  
19 know what other people know? I mean, he's  
20 answered the question --  
21 MR. FINNERTY: If he wants to  
22 say --  
23 MR. COX: -- at this point.  
24 MR. FINNERTY: David, if he  
25 wants to say he doesn't know --

Page 77

1 BY MR. FINNERTY:  
2 Q Or, Mr. Branham, if you want to  
3 say --  
4 MR. COX: You're asking  
5 argumentative questions and you're asking --  
6 reasking the same question over and over again.  
7 He's giving you the best answer he can.  
8 MR. FINNERTY: I'm just  
9 looking --  
10 MR. COX: Do you want to give it  
11 another shot?  
12 MR. FINNERTY: I'm looking for  
13 an answer that's just responsive to the  
14 question and not "it would have been  
15 privileged" but just --  
16 MR. COX: Well, he's told you  
17 that the committee members were vetted and  
18 selected in the context of -- of -- of  
19 committee meetings.  
20 So, I mean, the information that  
21 was imparted during the committee meetings is  
22 privileged. What people know from the  
23 committee meetings is what they know from the  
24 committee meetings. He doesn't know what other  
25 people retained.



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1 injury claim, the causation standard is very  
2 different than it is in other states, which  
3 makes you have to give great consideration as  
4 to whether you can meet that causation standard  
5 or not.  
6 In other states, there are caps  
7 on damages after death. Indiana is one of  
8 those states. So do I bring that case at the  
9 end of the day if the client or the potential  
10 client came to me as a decedent? I don't know.  
11 I got -- I got to do that evaluation.  
12 And there are states that have  
13 differing methods of awarding damages. There's  
14 just -- there's just all kinds of reasons that  
15 I think every lawyer who evaluates whether  
16 they're going to initiate a lawsuit, you know,  
17 has to spend some time thinking about before  
18 they do it.  
19 Q You mentioned that you are working on  
20 a case with Mr. Richardson as co-counsel.  
21 Do you know whether any other  
22 members of the TAC have ever worked with  
23 Mr. Richardson together on a case?  
24 A Not to my knowledge.  
25 Q Let's look at the next sentence of

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1 the section we're in right now, which is  
2 4.5(b).  
3 It says, "To the extent the  
4 Litigation Trustee retains or is required to  
5 retain counsel to prosecute any litigation  
6 initiated by the Asbestos Trust, compensation  
7 of such counsel shall be paid from the  
8 Litigation Trustee's Compensation and the  
9 Asbestos Trust shall not be further obligated  
10 to pay for or fund any additional  
11 compensation."  
12 Did I read that correctly?  
13 A You did.  
14 Q Has any member of the TAC, to your  
15 knowledge, discussed what counsel that the  
16 litigation trustee might retain to prosecute  
17 litigation initiated by the Asbestos Trust?  
18 A No.  
19 Q Do you have any understanding of  
20 which counsel Mr. Richardson might select to  
21 prosecute claims or litigation initiated by the  
22 Asbestos Trust?  
23 A So the short answer is no. But the  
24 longer answer is -- and this isn't a place  
25 where David's going to get upset with me.

Page 100

1 The long answer is I think the  
2 point is is that the litigation trustee can  
3 pick the right firm for the job.  
4 Q Would there be anything preventing  
5 the litigation trustee from selecting one of  
6 the TAC members' firms to prosecute litigation  
7 initiated by the Asbestos Trust?  
8 A I don't -- I'm unaware of any  
9 provision within the trust document which  
10 specifically precludes that.  
11 Q Are you aware of anything outside of  
12 the trust document that would preclude that?  
13 A No. I mean, you know, I -- I haven't  
14 thought about it, but no.  
15 Q Thinking about it now, do you think  
16 it's possible that one of the TAC members'  
17 firms will be selected as co-counsel to  
18 represent -- or to prosecute litigation  
19 initiated by the Asbestos Trust?  
20 A Yeah, I --  
21 MR. COX: Objection -- objection  
22 to the form of the question. You can answer.  
23 A I just haven't thought about it at  
24 all. And as we just discussed, the -- the  
25 volume of considerations that have to go into

Page 101

1 those types of, you know, discussions are --  
2 are -- are voluminous, and the trustee will  
3 make those decisions, you know, whenever he  
4 makes them.  
5 Q Understanding there's a volume of  
6 considerations, do you think it's possible that  
7 will happen?  
8 A It's possible the sun doesn't come up  
9 tomorrow. I mean, look, I -- you know, I  
10 appreciate the question, but I've given you the  
11 best answer I can give you.  
12 Q Does your firm's agreement with  
13 Mr. Richardson cover solely the litigation  
14 you're litigating right now or any future  
15 matters?  
16 A So I'm going to answer this question,  
17 and it's probably the last thing I'm going to  
18 answer about what I'm doing elsewhere.  
19 But it only covers that case.  
20 Q Thank you.  
21 One more exhibit, which I think  
22 you might have. It's the email from Stephen  
23 Austin that's dated January 14. I don't think  
24 it was in the ones you sent to me but you said  
25 that you reviewed it.

Message

**From:** Nathaniel Miller [NMiller@Capdale.com]  
**Sent:** 4/29/2025 4:38:16 PM  
**To:** Long, Toby [hlong@hunton.com]  
**CC:** Jeffrey Liesemer [jliesemer@capdale.com]; Todd Phillips [tphillips@capdale.com]; Ann McMillan [amcmillan@capdale.com]; Rovira, Joseph [JosephRovira@hunton.com]; Brown, Tyler [tpbrown@hunton.com]; Cox, David Sean [david.cox@morganlewis.com]; peter.barrett@kutakrock.com [Peter.Barrett@KutakRock.com]; Raskin, Jeffrey S. [jeffrey.raskin@morganlewis.com]  
**Subject:** RE: Proposed Timeline for Hopeman Plan Confirmation  
**Attachments:** Exhibit C - Reorganized Hopeman Projections.docx; HBI - Plan of Reorganization 4.29.25.docx; Change-Pro Redline - HBI - Plan of Reorganization 4.27.25 and HBI - Plan of Reorganization 4.29.25.pdf

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Thank you, Toby. We have Committee sign-off on all the documents. Attached is a Word version of the projections, with the draft and privileged headers removed.

I have also attached the plan. Per our discussion earlier, I have implemented all of HII's and our changes since the non-corrupted version you sent me this morning, and I added Lisa Nathanson Busch's signature. The redline reflects all of the cumulative changes I have made today. The TOC lists 10.3 (a) and (b) as E. and F, so you may want to have your document team take a look at that. Please let us know if you have any comments.

I am continuing to implement the analogous changes to the non-corrupted version of the disclosure statement, and Marla noticed one nit in the FCR application. I will send each of those as soon as possible.

**From:** Long, Toby

**Sent:** Tuesday, April 29, 2025 3:52 PM

**To:** Nathaniel Miller

**Cc:** Jeffrey Liesemer ; Todd Phillips ; Ann McMillan ; Rovira, Joseph ; Brown, Tyler ; Cox, David Sean ; peter.barrett@kutakrock.com; Raskin, Jeffrey S.

**Subject:** EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Nate – this is to confirm no comments on the projections.

Keep us posted, please, once you have Committee signoff on the documents.

**From:** Nathaniel Miller <NMiller@Capdale.com>

**Sent:** Tuesday, April 29, 2025 11:51 AM

**To:** Long, Toby <hlong@hunton.com>

**Cc:** Jeffrey Liesemer <jliesemer@capdale.com>; Todd Phillips <tphillips@capdale.com>; Ann McMillan <amcmillan@capdale.com>; Rovira, Joseph <JosephRovira@hunton.com>; Brown, Tyler <tpbrown@hunton.com>; Cox, David Sean <david.cox@morganlewis.com>; peter.barrett@kutakrock.com; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com>

**Subject:** RE: Proposed Timeline for Hopeman Plan Confirmation

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Toby, we are fine with the Debtor's revision to the liquidation analysis. Attached is a draft of the financial projections for Reorganized Hopeman, which remain subject to Committee approval and internal review. Peter and I spoke about the outstanding HII issue, and the ball is in HII's court to propose language that we hope will bridge the gap. Thank you.

**From:** Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Sent:** Tuesday, April 29, 2025 11:37 AM  
**To:** Nathaniel Miller <[NMiller@Capdale.com](mailto:NMiller@Capdale.com)>  
**Cc:** Jeffrey Liesemer <[jliesemer@capdale.com](mailto:jliesemer@capdale.com)>; Todd Phillips <[tphillips@capdale.com](mailto:tphillips@capdale.com)>; Ann McMillan <[amcmillan@capdale.com](mailto:amcmillan@capdale.com)>; Rovira, Joseph <[JosephRovira@hunton.com](mailto:JosephRovira@hunton.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Cox, David Sean <[david.cox@morganlewis.com](mailto:david.cox@morganlewis.com)>; [peter.barrett@kutakrock.com](mailto:peter.barrett@kutakrock.com);  
Raskin, Jeffrey S. <[jeffrey.raskin@morganlewis.com](mailto:jeffrey.raskin@morganlewis.com)>

**Subject:** EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Nate – we have one slight revision to the liquidation analysis – clarifying on page 2 that the Debtor *and the Committee* believe that the plan offers more value to holders of asbestos claims than would result from a liquidation under chapter 7. This is shown in the attached blackline. Let us know, please, if the attached version is acceptable.

Please also keep us posted on the status of the discussions between HII and Committee regarding the plan and send the Reorganized Hopeman Projections for our review. Like the Committee, we have a call with our client scheduled for this afternoon to get final approval for today's filings.

Best,  
Toby

**From:** Nathaniel Miller <[NMiller@Capdale.com](mailto:NMiller@Capdale.com)>  
**Sent:** Thursday, April 24, 2025 7:02 PM  
**To:** Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Cc:** Jeffrey Liesemer <[jliesemer@capdale.com](mailto:jliesemer@capdale.com)>; Todd Phillips <[tphillips@capdale.com](mailto:tphillips@capdale.com)>; Ann McMillan <[amcmillan@capdale.com](mailto:amcmillan@capdale.com)>; Rovira, Joseph <[JosephRovira@hunton.com](mailto:JosephRovira@hunton.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Cox, David Sean <[david.cox@morganlewis.com](mailto:david.cox@morganlewis.com)>; [peter.barrett@kutakrock.com](mailto:peter.barrett@kutakrock.com);  
Raskin, Jeffrey S. <[jeffrey.raskin@morganlewis.com](mailto:jeffrey.raskin@morganlewis.com)>  
**Subject:** RE: Proposed Timeline for Hopeman Plan Confirmation

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Thank you, Toby. We share your goal to get an agreement in place, if possible, and are coordinating with FTI to take those steps. Attached please find the draft liquidation analysis, which remains subject to internal review and Committee approval. We are happy to discuss.

**From:** Long, Toby <[hlong@hunton.com](mailto:hlong@hunton.com)>  
**Sent:** Thursday, April 24, 2025 1:51 PM  
**To:** Nathaniel Miller <[NMiller@Capdale.com](mailto:NMiller@Capdale.com)>  
**Cc:** Jeffrey Liesemer <[jliesemer@capdale.com](mailto:jliesemer@capdale.com)>; Todd Phillips <[tphillips@capdale.com](mailto:tphillips@capdale.com)>; Ann McMillan <[amcmillan@capdale.com](mailto:amcmillan@capdale.com)>; Rovira, Joseph <[JosephRovira@hunton.com](mailto:JosephRovira@hunton.com)>; Brown, Tyler <[tpbrown@hunton.com](mailto:tpbrown@hunton.com)>; Cox, David Sean <[david.cox@morganlewis.com](mailto:david.cox@morganlewis.com)>; [peter.barrett@kutakrock.com](mailto:peter.barrett@kutakrock.com);  
Raskin, Jeffrey S. <[jeffrey.raskin@morganlewis.com](mailto:jeffrey.raskin@morganlewis.com)>

**Subject:** EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Thanks, Nate. This is to confirm the Debtor is comfortable with the Committee's choice (based on FTI's recommendation) of The Pines at Woodcreek investment as the proposed investment to be owned by the Reorganized Debtor on or after the Effective Date and that FTI should assume the Reorganized Debtor will own that investment in making the projections needed for the disclosure statement. Our only question at this time is whether the Committee is planning to get an agreement in place to lock up the right to make the investment on or after the Effective Date so that we are prepared to demonstrate the same to the Court at confirmation? Let us know, please, including if there are any other steps needed to make sure we have sufficient support that this investment will still be available when the estate is authorized to proceed under the confirmation order.

**From:** Nathaniel Miller <[NMiller@Capdale.com](mailto:NMiller@Capdale.com)>  
**Sent:** Wednesday, April 23, 2025 10:36 PM

To: Jeffrey Liesemer <jliesemer@capdale.com>; Long, Toby <hlong@hunton.com>; Todd Phillips <tphillips@capdale.com>; Ann McMillan <amcmillan@capdale.com>  
Cc: Rovira, Joseph <JosephRovira@hunton.com>; Brown, Tyler <tpbrown@hunton.com>; Cox, David Sean <david.cox@morganlewis.com>; Barrett, Peter J. <peter.barrett@kutakrock.com>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com>  
Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Toby, thank you for speaking with me earlier about the Reorganized Hopeman projections. As we discussed, those projections will be based in part on the ongoing business interest Hopeman acquires. FTI continues to recommend that Hopeman invest in The Pines at Woodcreek, a multifamily apartment complex in Texas, consistent with the slide deck we sent to you all on February 18th (and I have re-attached here). Furthermore, FTI recommends a \$350,000 investment, consistent with the liquidation analysis we exchanged during the mediation. Such an investment would provide Reorganized Hopeman with an average net cash flow of approximately \$20,000 each year. That investment remains subject to Committee approval. However, we wanted to confirm that the Debtor is comfortable with the Reorganized Hopeman projections containing that assumption. Happy to discuss further if helpful. Thanks.

From: Jeffrey Liesemer <jliesemer@capdale.com>  
Sent: Tuesday, April 22, 2025 11:32 AM  
To: Long, Toby <hlong@hunton.com>; Nathaniel Miller <NMiller@Capdale.com>; Todd Phillips <tphillips@capdale.com>; Ann McMillan <amcmillan@capdale.com>  
Cc: Rovira, Joseph <JosephRovira@hunton.com>; Brown, Tyler <tpbrown@hunton.com>; Cox, David Sean <david.cox@morganlewis.com>; Barrett, Peter J. <peter.barrett@kutakrock.com>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com>  
Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Thanks Toby. We think your suggested approach makes sense but should point out that we are updating the defined terms in the Trust Agreement to reflect the current Plan definitions. There is no reason that the updates must occur before Peter shares the drafts with HII, but he can let them know that we're making the updates. Best. J.A.L.

From: Long, Toby <hlong@hunton.com<MAILTO:HLONG@HUNTON.COM< A>>>  
Sent: Tuesday, April 22, 2025 10:35 AM  
To: Nathaniel Miller <NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM< A>>>; Todd Phillips <tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM< A>>>; Jeffrey Liesemer <jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM< A>>>; Ann McMillan <amcmillan@capdale.com<MAILTO:AMCMILLAN@CAPDALE.COM< A>>>  
Cc: Rovira, Joseph <JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>; Brown, Tyler <tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM< A>>>; Cox, David Sean <david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>; Barrett, Peter J. <peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM< A>>>  
Subject: EXTEPNAL: PE: Proposed Timeline for Hopeman Plan Confirmation

Good morning, and many thanks to Ann for sending over the TDP. We caught a few typos but generally are fine with the TDP, and think Peter should send both the TDP and Trust Agreement to HII without delay. Any concerns on your end? Absent any concerns, we will ask Peter to accept the nits in the attached version of the trust agreement and then send HII (i) a clean version of the trust agreement and (ii) the attached version of the TDP. Like with the plan and disclosure statement, Peter will send subject to further review and approval from both the Debtor and UCC.

Otherwise, as discussed, the goal must be to file the following on Tuesday, April 29, to stay on track for the May 13 hearing date: (i) solicitation procedures motion, (ii) FCR application, (iii) plan (with the trust agreement and TDP annexed thereto), and (iv) disclosure statement. With the exception of the trust agreement and the TDP, we can aim file the other exhibits to the plan as part of the plan supplement. The April 29 filing date, however, is a strict deadline.

Thanks,

Toby

From: Long, Toby  
Sent: Saturday, April 19, 2025 8:50 PM  
To: Nathaniel Miller <NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM< A>>>; Todd Phillips <tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM< A>>>; Jeffrey Liesemer <jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM< A>>>; Ann McMillan <amcmillan@capdale.com<MAILTO:AMCMILLAN@CAPDALE.COM< A>>>  
Cc: Rovira, Joseph <JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>; Brown, Tyler <tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM< A>>>; Cox, David Sean <david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>; Barrett, Peter J. <peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM< A>>>  
Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Thank you, Nate. Attached is the revised version of the solicitation procedures motion that changes the vote objection deadline from June 12 to May 21, as discussed. We also corrected where this deadline inadvertently was referred to as the "voting" deadline. There are no other changes from the version circulated on April 16. Attached also is a redline to the April 16 version to show the same.

Let us know of any other comments, please.

Best,

Toby

From: Nathaniel Miller <NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM< A>>>  
Sent: Friday, April 18, 2025 9:07 PM  
To: Long, Toby <hlong@hunton.com<MAILTO:HLONG@HUNTON.COM< A>>>; Todd Phillips <tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM< A>>>; Jeffrey Liesemer <jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM< A>>>; Ann McMillan <amcmillan@capdale.com<MAILTO:AMCMILLAN@CAPDALE.COM< A>>>  
Cc: Rovira, Joseph <JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>; Brown, Tyler <tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM< A>>>; Cox, David Sean <david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>; Barrett, Peter J. <peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM< A>>>  
Subject: Re: Proposed Timeline for Hopeman Plan Confirmation

Joseph and Toby, thank you for speaking with us earlier today. We discussed further among ourselves and still support providing publication notice. Were you planning to recirculate a revised version of the solicitation procedures motion with  
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Joseph and Toby, thank you for speaking with us earlier today. We discussed further among ourselves and still support providing publication notice.

Were you planning to recirculate a revised version of the solicitation procedures motion with the new vote objection deadline? If so, we can get that over to the Committee promptly.

Wishing you all a nice weekend.

Best,

Nate

---

From: Nathaniel Miller

Sent: Thursday, April 17, 2025 11:50 AM

To: Long, Toby <hlong@hunton.com<MAILTO:HLONG@HUNTON.COM< A>>>; Todd Phillips <tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM< A>>>; Jeffrey Liesemer <jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM< A>>>; Ann McMillan <amcmillan@capdale.com<MAILTO:AMCMILLAN@CAPDALE.COM< A>>>

Cc: Rovira, Joseph <JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>; Brown, Tyler <tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM< A>>>; Cox, David Sean <david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>; Barrett, Peter J. <peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM< A>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

We are fine with Peter sharing the current version of the plan with HII, subject to common interest and further review and approval by both the Debtor and Committee. Thank you!

---

From: Long, Toby <hlong@hunton.com<MAILTO:HLONG@HUNTON.COM< A>>>

Sent: Thursday, April 17, 2025 10:32 AM

To: Nathaniel Miller <NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM< A>>>; Todd Phillips <tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM< A>>>; Jeffrey Liesemer <jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM< A>>>; Ann McMillan <amcmillan@capdale.com<MAILTO:AMCMILLAN@CAPDALE.COM< A>>>

Cc: Rovira, Joseph <JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>; Brown, Tyler <tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM< A>>>; Cox, David Sean <david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>; Barrett, Peter J. <peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>; Raskin, Jeffrey S. <jeffrey.raskin@morganlewis.com<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM< A>>>

Subject: EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Thanks, Nate, for confirming availability for the call at 3pm. I will circulate the link as requested. In the meantime, any concerns with Peter sending the version of the plan

in the attached email to HII? As you know, HII has a consultation right under the term sheet and this will give HII sufficient time to confirm that the current version does not impact its rights under the term sheet.

He, of course, will send subject to further review and approval by both the Debtor and Committee.

From: Nathaniel Miller  
<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>

Sent: Wednesday, April 16, 2025 10:05 PM

To: Long, Toby  
<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>; Todd Phillips  
<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer  
<jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>; Ann McMillan  
<amcmillan@capdale.com<MAILTO:AMCMILLAN@CAPDALE.COM<MAILTO:AMCMILLAN@CAPDALE.COM%3CMAILTO:AMCMILLAN@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph  
<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler  
<tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM<MAILTO:TPBROWN@HUNTON.COM%3CMAILTO:TPBROWN@HUNTON.COM< A>>>>; Cox, David Sean  
<david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM<MAILTO:DAVID.COX@MORGANLEWIS.COM%3CMAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>>; Barrett, Peter J.  
<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>; Raskin, Jeffrey S.  
<jeffrey.raskin@morganlewis.com<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM<MAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM%3CMAILTO:JEFFREY.RASKIN@MORGANLEWIS.COM< A>>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

We are happy to have a call to discuss. Does Friday at 3:30 pm Eastern work for your team? From: Long, Toby Sent: Wednesday, April 16, 2025 2:54 PM To: Nathaniel Miller ; Todd Phillips ;

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ZjQcmQRYFpfpBannerEnd

We are happy to have a call to discuss. Does Friday at 3:30 pm Eastern work for your team?

From: Long, Toby  
<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>

Sent: Wednesday, April 16, 2025 2:54 PM

To: Nathaniel Miller  
<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>; Todd Phillips  
<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer  
<jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph  
<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler  
<tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM<MAILTO:TPBROWN@HUNTON.COM%3CMAILTO:TPBROWN@HUNTON.COM< A>>>>; Cox, David Sean  
<david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM<MAILTO:DAVID.COX@MORGANLEWIS.COM%3CMAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>>; Barrett, Peter J.  
<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Thanks, Nate. Are you guys available later this week for a short call to discuss generally the plan and trust documents and strategy for filing the same? Let us know availability and we will get something on the calendar.



For the plan documents, we largely are fine with the tweaks to the plan and disclosure statement but want to make certain we understand the reasons for the revisions to 8.3(i), 9.3 and 12.1(j) of the plan. Similarly, for the solicitation procedures, we want to discuss whether publication notice is absolutely necessary in light of the cost, and if so, whether we can reduce costs by leaving out the Richmond Times-Dispatch. Chambers also confirmed that we can have Tuesday, May 13, for the solicitation procedures hearing, and Monday, June 23, for the confirmation hearing. Both hearings will start at 11am. We baked these dates into the attached version of the solicitation procedures, and made a few other tweaks, that are shown in the attached redline to the version you circulated earlier this week. This means we would need to finalize and file the plan documents and FCR application by Tuesday, April 22. That will give us 7 days to address any objections in advance of the May 13 hearing. In addition to final approval of the plan documents, the key document we still need to review in advance of this filing is the draft of the trust distribution procedures (that we understand should be coming to us this week).

Best,

Toby

From: Nathaniel Miller  
<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>

Sent: Tuesday, April 15, 2025 10:36 PM

To: Long, Toby  
<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>; Todd Phillips  
<tphillips@capdale.com<MAILTO:TPhillips@CAPDALE.COM<MAILTO:TPhillips@CAPDALE.COM%3CMAILTO:TPhillips@CAPDALE.COM< A>>>>; Jeffrey Liesener  
<jliesener@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph  
<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler  
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<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Good evening, Toby, As promised, attached are the further tweaks to the plan and our  
markup of the disclosure statement, each of which remain subject to internal review and  
Committee sign-off. We are happy to discuss. Thank you. Best, Nate From:

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Good evening, Toby,

As promised, attached are the further tweaks to the plan and our markup of the disclosure  
statement, each of which remain subject to internal review and Committee sign-off. We  
are happy to discuss. Thank you.

Best,

Nate

From: Nathaniel Miller

Sent: Tuesday, April 15, 2025 8:19 AM

To: Long, Toby

<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.C  
OM< A>>>>; Todd Phillips

<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer  
<jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph

<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler  
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<david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM<MAILTO:DAVID.COX@MORGANLEWIS.COM%3CMAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>>; Barrett, Peter J.  
<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Toby,

Glad to hear about the FCR materials. Attached are our comments on the solicitation procedures motion, which remain subject to internal review and Committee sign-off. We expect to send you further tweaks to the plan and our markup of the disclosure statement later today, each of which will remain subject to Committee sign-off. We need to revise the trust distribution procedures to track the revisions to the plan, which we expect to send to you in the next few days.

In addition, you mentioned last week that you had a draft objection to Liberty Mutual's proof of claim. If you are in a position to share that draft with us, in the interest of moving this process along, we would appreciate it.

Best,

Nate

From: Long, Toby

<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>

Sent: Monday, April 14, 2025 1:19 PM

To: Nathaniel Miller

<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>; Todd Phillips

<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer

<jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph

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<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Thanks, Nate. We have no issues with the changes to the FCR materials. Any updates on timing for UCC's comments on the solicitation procedures, draft of the trust distribution procedures, and when you believe the UCC will be able to secure final signoff on the plan documents? That will be key for securing a hearing date and nailing down timing for filing all the materials.

Let us know, please.

Best,

Toby

From: Nathaniel Miller  
<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>

Sent: Saturday, April 12, 2025 8:27 PM

To: Long, Toby  
<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>; Todd Phillips  
<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer  
<jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph  
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<david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM<MAILTO:DAVID.COX@MORGANLEWIS.COM%3CMAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>>; Barrett, Peter J.  
<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Good evening, We received final sign-off from both the Committee and Marla Rosoff Eskin on the attached versions of the application and declaration. We made some minor changes to each; I have attached redlines against each of the versions you

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Good evening,

We received final sign-off from both the Committee and Marla Rosoff Eskin on the attached versions of the application and declaration. We made some minor changes to each; I have attached redlines against each of the versions you sent on Thursday. We are available to discuss these if you would like.

Best,

Nate

From: Nathaniel Miller

Sent: Thursday, April 10, 2025 6:26 PM

To: Long, Toby

<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>; Todd Phillips  
<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer  
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Cc: Rovira, Joseph

<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler  
<tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM<MAILTO:TPBROWN@HUNTON.COM%3CMAILTO:TPBROWN@HUNTON.COM< A>>>>; Cox, David Sean  
<david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM<MAILTO:DAVID.COX@MORGANLEWIS.COM%3CMAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>>; Barrett, Peter J.  
<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Good evening,

Thank you for sending along these revised versions of the documents. We sent along the FCR materials to the Committee for final approval, and are still awaiting sign-off from all Committee members. We are continuing to work through comments on the other documents and sending them to the Committee for approval seriatim. We will get back to you in the next day or so on our timing.

Best,

Nate

From: Long, Toby

<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>

Sent: Thursday, April 10, 2025 12:25 PM

To: Nathaniel Miller

<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>; Todd Phillips

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Cc: Rovira, Joseph

<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler

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<peter.barrett@kutakrock.com<MAILTO:PETER.BARRETT@KUTAKROCK.COM<MAILTO:PETER.BARRETT@KUTAKROCK.COM%3CMAILTO:PETER.BARRETT@KUTAKROCK.COM< A>>>>

Subject: EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Good afternoon. Thank you for sending the comments on the plan. Attached is a revised version, along with a blackline, showing our minimal comments on the UCC's draft of the plan. As I indicated to Nate and Jeff earlier, we also took the first stab at making conforming changes to the disclosure statement to help push the process along. Attached is the revised version of the disclosure statement, along with a redline to the March 21 version provided in the below emails. Like before, the plan and disclosure statement remain subject to further review and approval.

Let us know, please, the realistic ETA for UCC's comments on the solicitation procedures, draft of the trust distribution procedures, and when you believe the UCC will be able to secure final signoff on the plan documents. We then can work to obtain a hearing date in (hopefully early) May for the hearing on the solicitation procedures motion.

Lastly, any concerns with proceeding with filing the joint FCR application today and setting this for the April 24 hearing? The attached version should be final, and we just need confirmation that we can add electronic signatures for UCC and Ms. Eskin. We believe it makes sense to proceed with filing this application today to get the FCR appointed. Can you also provide us with an estimate of what the premium will be for FCR's liability insurance coverage?

Thanks,

Toby

From: Nathaniel Miller  
<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>





Best,

Nate

From: Long, Toby  
<hlong@hunton.com<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM< A>>>>

Sent: Tuesday, April 8, 2025 4:19 PM

To: Todd Phillips  
<tphillips@capdale.com<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM< A>>>>; Jeffrey Liesemer  
<jliesemer@capdale.com<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM< A>>>>

Cc: Rovira, Joseph  
<JosephRovira@hunton.com<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM< A>>>>; Brown, Tyler  
<tpbrown@hunton.com<MAILTO:TPBROWN@HUNTON.COM<MAILTO:TPBROWN@HUNTON.COM%3CMAILTO:TPBROWN@HUNTON.COM< A>>>>; Nathaniel Miller  
<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>; Cox, David Sean  
<david.cox@morganlewis.com<MAILTO:DAVID.COX@MORGANLEWIS.COM<MAILTO:DAVID.COX@MORGANLEWIS.COM%3CMAILTO:DAVID.COX@MORGANLEWIS.COM< A>>>>

Subject: EXTERNAL: RE: Proposed Timeline for Hopeman Plan Confirmation

Good afternoon.

Thanks for sending the draft of the trust agreement, draft of the Eskin declaration and the comments to the FCR application. We are fine with the UCC's revisions to the FCR application and do not have any comments on the Eskin declaration. For the trust agreement, we have minimal comments shown in track changes in the attached version that are necessary to conform to the term sheet.

We are still waiting on the UCC to provide a draft of the trust distribution procedures and comments, if any, on the plan, disclosure statement and solicitation procedures. Please note that we have made slight changes to the plan, disclosure statement and solicitation procedures since we provided the drafts back on March 21. In addition to general cleanup, we made revisions to the "books and records" provision in the plan and disclosure statement to address the attached email from Chubb counsel raising concerns about waiving privilege and try to limit at least part of Chubb's likely plan objection. We also made revisions to the plan and disclosure statement to provide that, if not resolved, sooner, the Certain Settling Insurers settlement will be approved by the confirmation order. For the solicitation procedures, we removed the publication language as the Debtor does not believe publication makes sense in this case. Attached are clean versions of each document and redlines to the March 21 versions, and each of these documents remains subject to further review and approval in all respects.

Let us know, please, the ETA of the trust distribution procedures and any comments on the plan documents. As you know, it is critical that we file the solicitation procedures, FCR application, plan and disclosure statement on April 10 to be timely for the April 24 omnibus hearing.

Best,

Toby

[Hunton Andrews Kurth]

Henry P. (Toby) Long, III

hlong@HuntonAK.com<MAILTO:HLONG@HUNTONAK.COM<MAILTO:HLONG@HUNTONAK.COM%3CMAILTO:HLONG@HUNTONAK.COM< A>>>

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From: Long, Toby

Sent: Friday, March 21, 2025 9:57 PM

To: Todd Phillips

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Cc: Rovira, Joseph

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<NMiller@Capdale.com<MAILTO:NMILLER@CAPDALE.COM<MAILTO:NMILLER@CAPDALE.COM%3CMAILTO:NMILLER@CAPDALE.COM< A>>>>

Subject: RE: Proposed Timeline for Hopeman Plan Confirmation

Gentlemen - as promised below, attached are drafts of the plan, disclosure statement, solicitation procedures motion, and motion to appoint the FCR. Each of these drafts remains subject to further review and approval in all respects. For the solicitation procedures motion, we endeavored to conform the solicitation procedures motion we previously filed at docket no. 61 to the current plan structure.

Let us know, please, of any questions, comments or concerns.

Best,

Toby

[Hunton Andrews Kurth]

Henry P. (Toby) Long, III

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g <?utm\_source="esighunton&utm\_medium=email&utm\_campaign=esigtracking%20"  
[www.huntonak.com](http://www.huntonak.com)>> >

From: Brown, Tyler  
<[tpbrown@hunton.com](mailto:tpbrown@hunton.com)<MAILTO:TPBROWN@HUNTON.COM<MAILTO:TPBROWN@HUNTON.COM%3CMAILTO:TPBROWN@HUNTON.COM<A>>>>

Sent: Wednesday, March 12, 2025 4:59 PM

To: Todd Phillips  
<[tphillips@capdale.com](mailto:tphillips@capdale.com)<MAILTO:TPHILLIPS@CAPDALE.COM<MAILTO:TPHILLIPS@CAPDALE.COM%3CMAILTO:TPHILLIPS@CAPDALE.COM<A>>>>; Jeffrey Liesemer  
<[jliesemer@capdale.com](mailto:jliesemer@capdale.com)<MAILTO:JLIESEMER@CAPDALE.COM<MAILTO:JLIESEMER@CAPDALE.COM%3CMAILTO:JLIESEMER@CAPDALE.COM<A>>>>

Cc: Rovira, Joseph  
<[JosephRovira@hunton.com](mailto:JosephRovira@hunton.com)<MAILTO:JOSEPHROVIRA@HUNTON.COM<MAILTO:JOSEPHROVIRA@HUNTON.COM%3CMAILTO:JOSEPHROVIRA@HUNTON.COM<A>>>>; Long, Toby  
<[hlong@hunton.com](mailto:hlong@hunton.com)<MAILTO:HLONG@HUNTON.COM<MAILTO:HLONG@HUNTON.COM%3CMAILTO:HLONG@HUNTON.COM<A>>>>

Subject: Proposed Timeline for Hopeman Plan Confirmation

Todd and Jeff:

As Todd and I discussed yesterday, I think it would be a good idea to have in place a timeline for exchanging drafts and comments on the plan and trust documents in order to achieve confirmation and the effective date as early as possible, but no later than June 30.

The below timeline contemplates a hearing on the solicitation procedures on April 24 and a combined confirmation/final disclosure statement approval hearing on or about May 29. I know these are time frames are tight. We could seek other dates if these do not work or if dates slip but working toward such a timeline would be helpful.

(i) Friday, March 21 - Debtor to provide to Committee its drafts of plan, disclosure statement, solicitation procedures motion (including request for combined hearing) and motion to appoint FCR.

(ii) Tuesday, March 25 - Committee to provide Debtor its drafts of Trust documents (including trust agreement and trust distribution procedures) conforming to draft plan and comments on motion to appoint FCR.

(iii) Friday, March 28 - Debtor to provide Committee with comments on the Trust documents.

(iv) Monday, March 31-Committee to provide Huntington Ingalls with drafts of Trust documents



(v) Friday, April 4 - Committee to provide Debtor with comments on plan, disclosure statement and solicitation procedures motion.

(vi) Monday, April 7 - Debtor provides Huntington with drafts of the plan, disclosure statement and solicitation procedures motion.

(vii) Wednesday, April 9 (April 10, at latest) - Debtor and Committee file plan, disclosure statement, solicitation procedures motion and motion to appoint FCR, so solicitation and FCR motions can be considered on at least 14 days' notice at the April 24 omnibus hearing.

(viii) May 1-Committee to provide Debtor with proposed agreement for Reorganized Debtor to acquire passive investment interest in commercial real estate as of the Effective Date

(ix) May 8 -Debtor to file motion to authorize Reorganized Debtor to acquire investment as of the Effective Date, to be heard in conjunction with confirmation.

(x) Thursday, May 29 - Combined Confirmation Hearing, subject to Court's availability. This would provide at least 30 days' notice of the confirmation hearing, assuming Verita can complete service of the plan documents in 5 days consistent with prior cases.

Happy to get your thoughts on this when you have the chance. Thanks.

-Tyler

[Hunton Andrews Kurth]

Tyler Brown

Partner

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**Colloquy**

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1 confirmation hearing. And it is not fair to say that the plan  
2 is not confirmable on its face today on the record before the  
3 Court.

4 THE COURT: All right. Thank you.

5 MR. SALZMAN: Thank you, Your Honor.

6 THE COURT: Is there any other party that wishes to be  
7 heard in connection with the solicitation procedures motion?

8 Mr. Brown.

9 MR. BROWN: Again, Tyler Brown for the debtor. Your  
10 Honor, just a few quick points.

11 One, again, I do think that the Grausz opinion is  
12 fairly easily distinguishable. But I will remind the Court,  
13 while Ms. Davis says it's precedent, specifically right before  
14 the opinion says unpublished opinions are not binding precedent  
15 in this circuit. That's what it says.

16 THE COURT: That's what the circuit court rules say.

17 MR. BROWN: That's what they said. That's right.

18 Secondly, Your Honor the Truck Insurance case was  
19 mentioned by several parties. One, it's Supreme Court opinion,  
20 so of course, the insurers who are affected by the plan are  
21 entitled to be heard. Mr. Gooding referenced --

22 THE COURT: They've made use of that.

23 MR. BROWN: Mr. Gooding -- I'm sorry.

24 THE COURT: I said they've made good use of that.

25 MR. BROWN: They have, Your Honor. Mr. Gooding

## **II. SPECIFIC RESPONSES TO INTERROGATORIES**

**INTERROGATORY NO. 1:** Identify any right(s) relating to Liberty Mutual that Hopeman contends may be assigned or transferred in connection with the Plan.

**RESPONSE:** Subject to and without waiving the General Objections, which are incorporated herein by reference, [REDACTED]

[REDACTED]

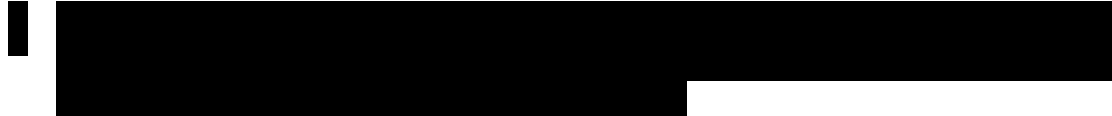
[REDACTED] As a result, the Debtor does not currently believe it possesses any rights in any insurance policies issued by LMIC to the Debtor. In the proposed Plan, the Debtor proposes to assign whatever such rights, if any, it has in the LMIC insurance policies to the Asbestos Trust.

**INTERROGATORY NO. 2:** State the basis for Hopeman's position that it possesses any right(s) relating to Liberty Mutual that may be assigned or transferred in connection with the Plan.

**RESPONSE:** Subject to and without waiving the General Objections, which are incorporated herein by reference, the Debtor incorporates its response and objection to Interrogatory No. 1 as if fully set forth herein.

**INTERROGATORY NO. 3:** Does Hopeman contend that the Plan comports with Section III(C) of the 2003 Indemnification Agreement, which requires Hopeman to: "take all reasonable actions necessary to minimize the possibility of cross-claims or other claims, actions or proceedings against Liberty Mutual relating to the Indemnified Claims by any other Person, including, but not limited to any insurer of Hopeman." If so, state the basis for Hopeman's contention.

**RESPONSE:** Subject to and without waiving the General Objections, which are incorporated herein by reference, the Debtor states that the proposed Plan comports with Section



**INTERROGATORY NO. 9:** Identify any Extracontractual Claims(s) that Hopeman believes may exist with respect to Liberty Mutual.

**RESPONSE:** Subject to and without waiving the General Objections, which are incorporated herein by reference, the Debtor states that it is not aware of any Extracontractual Claim(s) it possesses against LMIC. In the proposed Plan, the Debtor agrees to assign whatever such rights, if any, it has to the Asbestos Trust.

**INTERROGATORY NO. 10:** State the basis for Hopeman’s contention that the Plan is “insurance neutral.”

**RESPONSE:** Subject to and without waiving the General Objections, which are incorporated herein by reference, the Debtor states the Plan is “insurance neutral” because it will not alter any rights or defenses of any liability insurers of Hopeman who are “Non-Settling Asbestos Insurers.”

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



1 Q. One is M O Marine in the Western District of  
2 Pennsylvania?

3 A. Correct.

4 Q. And the other one was Rapid-American in the  
5 Southern District of New York, right?

6 A. Correct.

7 Q. And then she's talking about these being kind  
8 of an alternative path to doing a 524(g) asbestos  
9 bankruptcy, right?

10 A. Correct.

11 Q. But Hopeman didn't want to do a 524(g) or  
12 couldn't do it because Hopeman had no operating business,  
13 right?

14 A. I think --

15 MR. BROWN: Objection. Form of the question.  
16 It calls for a legal conclusion.

17 You can answer it without it being in a legal  
18 capacity.

19 THE WITNESS: Yes, that would be advice we  
20 received from counsel, that we could not pursue the  
21 524(g), because we didn't have the operations.

22 MR. BROWN: Let me instruct -- instruct the  
23 witness not to convey attorney-client information.

24 THE WITNESS: Oh, I'm sorry. Okay.

25 MR. BROWN: But you've answered the question.

1 BY MR. RASKIN:

2 Q. Well, you've answered the question, and I  
3 believe I heard that from Mr. Lascell, when he testified  
4 in the bankruptcy proceedings.

5 A. Okay.

6 Q. So -- so -- so there's no operating business,  
7 so 524(g) is not a possibility, so --

8 MR. BROWN: Objection. Form of the question.

9 BY MR. RASKIN:

10 Q. -- so the liquidating trust is being discussed  
11 here, right, a liquidating trust?

12 A. Correct.

13 Q. Did you study the materials concerning the ON  
14 Marine liquidating trust and the Rapid-American  
15 liquidating trust?

16 A. I've looked at the materials.

17 Q. Did you see the TDPs, the trust distribution  
18 procedures for those trusts?

19 A. I have reviewed them.

20 Q. And did you see what they were in  
21 Rapid-American for the payment of mesothelioma and lung  
22 cancer claims?

23 A. I did review them.

24 Q. They were very low, weren't they?

25 A. They were low.

# CHOATE

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February 24, 2025

## VIA EMAIL AND CERTIFIED MAIL

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RE: Request to Participate in Mediation

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February 24, 2025

Page 2

Ladies and Gentlemen:

We are counsel for Liberty Mutual Insurance Company (“Liberty Mutual”). As you know, Liberty Mutual is a creditor of Hopeman Brothers, Inc. (“Hopeman” or the “Debtor”), having asserted an unsecured claim (the “Claim”) of at least \$317,254.89 against the Debtor (with rights reserved to amend the claim to assert any and all further amounts owed to Liberty Mutual by Hopeman).

As set forth in the addendum to the Claim (the “Addendum”), the Claim is based upon Hopeman’s obligation, documented in the Confidential Agreements (as defined in the Addendum), to indemnify Liberty Mutual for past and future costs incurred by Liberty Mutual in connection with the insurance policies issued by Liberty Mutual to Hopeman and/or related claims asserted by direct action claimants (the “Indemnity Obligation”). Certain individuals have asserted, and continue to assert, the right to pursue direct action claims (and other similar claims, such as contribution claims premised on virile share liability) against Liberty Mutual.<sup>1</sup> These alleged claims against Liberty Mutual are currently stayed by order of the U.S. Bankruptcy Court for the Eastern District of Virginia (the “Bankruptcy Court”).<sup>2</sup>

The Debtor has represented to the Bankruptcy Court that it is engaged in ongoing mediation with, among other parties, the Official Committee of Unsecured Creditors (the “Committee”). Such mediation efforts have included “the formation of a revised Plan.”<sup>3</sup> The Bankruptcy Court has ordered that “[a]ny other entity wishing to participate in the Mediation may participate provided that both the Debtor and the Committee consent in writing to their participation or, if the Debtor and Committee cannot agree, the Mediator may authorize such participation.”<sup>4</sup>

---

<sup>1</sup> See, e.g., *Opposition and Objection to Motion of the Debtor for Entry of Interim and Final Orders Extending the Automatic Stay to Stay Asbestos-Related Actions Against Non-Debtor Defendants* [D.I. 86] at 6; *Huntington Ingalls Industries, Inc.’s Preliminary Objection and Reservation of Rights Regarding Motion of Debtor for Entry of Interim and Final Orders Extending Automatic Stay to Stay Asbestos-Related Actions Against Non-Debtor Defendants* [D.I. 135] at ¶ 5; *Limited Objection of the Official Committee of Unsecured Creditors to the Debtor’s Motion for Extension of the Automatic Stay to Enjoin Asbestos-Related Actions Against Non-Debtor Defendants* [D.I. 141] at ¶¶ 2, 7–8.

<sup>2</sup> See *Interim Order Extending the Automatic Stay to Asbestos-Related Actions Against Non-Debtor Defendants* [D.I. 35]; *Second Interim Order Extending the Automatic Stay to Asbestos-Related Actions Against Non-Debtor Defendants* [D.I. 245]. Although the extension of the automatic stay is currently set to expire on February 25, 2025, the Debtor has filed the *Motion Of The Debtor For Entry Of A Third Interim Order Extending The Automatic Stay To Stay Asbestos-Related Actions Against Non-Debtor Defendants* [D.I. 579] (the “Third Exclusivity Motion”), seeking to extend the automatic stay to third parties by approximately four months until June 30, 2025.

<sup>3</sup> *Second Motion of The Debtor for Entry of an Order (I) Extending the Exclusivity Periods to File and Solicit a Plan and (II) Granting Related Relief* [D.I. 577] at ¶ 15.

<sup>4</sup> *Order Authorizing Mediation of Chubb Insurers Settlement Motion* [D.I. 443] (the “Mediation Order”) at ¶ 3.

February 24, 2025  
Page 3

Liberty Mutual is a material party in this chapter 11 case, as evidenced by, *inter alia*, the Claim and the Debtor's acknowledgement of the indemnification right that Liberty Mutual has asserted against the Debtor.<sup>5</sup> Therefore, Liberty Mutual requests to be included in ongoing mediation efforts, including but not limited to the negotiation and formulation of a revised plan of liquidation of the Debtor.

To that end, and in compliance with the Mediation Order, Liberty Mutual requests that counsel for each of the Debtor and the Committee respond in writing to this letter as soon as possible stating whether the Debtor or Committee, as applicable, will consent to Liberty Mutual's participation in the mediation process.

Very truly yours,



Douglas R. Gooding, Esq.

cc: Jonathan D. Marshall, Esq.  
Alexandra M. Thomas, Esq.

---

<sup>5</sup> Third Exclusivity Motion [D.I. 579] at ¶ 29.

**From:** Stephen Austin <[stephen@stephenjain.com](mailto:stephen@stephenjain.com)>  
**Date:** January 14, 2025 at 9:53:52 PM CST  
**To:** Kaye Courington <[kCourington@courington-law.com](mailto:kCourington@courington-law.com)>  
**Subject:** The moral case for Liberty Mutual to be excluded from the Hopeman Brothers bankruptcy

Kaye:

I write on behalf of my Louisiana clients.

A long time ago, Liberty Mutual completed a “buy back” of its policies with Hopeman Brothers: giving Hopeman Brothers a sum of cash in exchange for never paying for another Hopeman Brothers asbestos claim. This happens all the time. In Louisiana, however, unless the Liberty Mutual policies are exhausted, this buy-back did not affect an injured Louisiana person from suing Liberty Mutual under the Louisiana Direct Action Statute for Avondale Shipyard-related claims. This remains true even if Hopeman Brothers is dissolved or liquidated. The only thing that can, in fact, affect those injured Louisiana persons’ rights is an order from a bankruptcy judge. We believe that would be immoral because those Liberty Mutual policies cannot be exhausted for the kind of claims found in Louisiana.

When Hopeman Brothers originally filed for bankruptcy, Hopeman Brothers asked the bankruptcy judge to set up a Liquidating Trust with money from Chubb and Resolute. None of these insurers included Liberty Mutual, but the court papers did not mention an explicit carve out for Liberty Mutual and Louisiana Direct Action cases. Then, things got complicated with objections, motions, and so forth. Louisiana folks would not have any serious objection to the Liquidating Trust so long as Louisiana Direct Action claims against Liberty Mutual are still permitted.

Law firms who represent clients outside of Louisiana probably have a different opinion. For instance, one law firm represents thousands of people with cases filed

in Baltimore. I suspect all of these cases are placeholders, meaning that they have some very mild condition, maybe even not sick at all, but are waiting for them to turn into cancers for a second claim. This is called an inactive docket. For these claimants in the 49 other states that do not have a Direct Action Statute like Louisiana, their claims will not survive bankruptcy, so the more money available for them now, the better. This is just how the law works for them.

As opposed to a Liquidating Trust, there is the possibility that, over the screaming objections of Louisiana claimants, there might be a trust formed under Section 524(g) of the Bankruptcy Code, and with Liberty Mutual contributing. Hopeman Brothers would have to consent, and 75% of claimants would have to consent. In this circumstance, Liberty Mutual would pay pennies on the dollar to resolve all its potential coverage for Hopeman Brothers claims, including Louisiana claims. In my opinion, Hopeman Brothers' creditors might reach the 75% voting threshold for that 524(g) trust because the law firms outside of Louisiana have a large number of clients, and this is the end of the road for them. This would be a disaster for current and future Louisiana claimants since the lion's share of the trust money would be consumed almost immediately and by people with mild to nonexistent breathing problems. There would be little remaining for Louisiana claimants, and nothing for claimants five or ten years from now.

I respectfully request that Hopeman Brothers not consent to any arrangement of any kind that prevents Louisiana Direct Action claims against Liberty Mutual, regardless of how much Liberty Mutual offers. Since those Liberty Mutual policies cannot be exhausted, there is no price Liberty Mutual can pay that would fairly discharge them from liability in the future. It should make no difference to Hopeman Brothers itself or Hopeman Brothers' executives, owners, and principals since the bankruptcy will discharge them from all future liability anyway. Otherwise, it will be a catastrophe for Louisiana folks.

This is a moral case. Hopeman Brothers would take the high moral ground by not consenting to Liberty Mutual's settlement, release, or injunction in its favor, if that should occur.

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