Docket #0231 Date Filed: 5/5/2026

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

In re ALDRICH PUMP LLC, *et al.*,[1] Debtors.	Chapter 11 Case No. 20-30608 (LMJ) (Jointly Administered)
OFFICIAL COMMITTEE OF ASBESTOS PERSONAL INJURY CLAIMANTS, Plaintiff, v. ALDRICH PUMP LLC, MURRAY BOILER LLC, TRANE TECHNOLOGIES COMPANY LLC, and TRANE U.S. INC., Defendants.	Adv. Pro. No. 21-03029 (LMJ)
OFFICIAL COMMITTEE OF ASBESTOS PERSONAL INJURY CLAIMANTS, on behalf of the estates of Aldrich Pump LLC and Murray Boiler LLC, Plaintiff, v. INGERSOLL-RAND GLOBAL HOLDING COMPANY LIMITED, TRANE TECHNOLOGIES HOLDCO INC., TRANE TECHNOLOGIES COMPANY LLC, TRANE INC., TUI HOLDINGS INC., TRANE U.S. INC., and MURRAY BOILER HOLDINGS LLC, Defendants.	Adv. Pro. No. 22-03028 (LMJ)

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

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OFFICIAL COMMITTEE OF ASBESTOS PERSONAL INJURY CLAIMANTS on behalf of the estates of Aldrich Pump LLC and Murray Boiler LLC, Plaintiff, v. TRANE TECHNOLOGIES PLC, INGERSOLL-RAND GLOBAL HOLDING COMPANY LIMITED, TRANE TECHNOLOGIES HOLDCO INC., TRANE TECHNOLOGIES COMPANY LLC, TRANE INC., TUI HOLDINGS INC., TRANE U.S. INC., MURRAY BOILER HOLDINGS LLC, SARA BROWN, RICHARD DAUDELIN, MARC DUFOUR, HEATHER HOWLETT, CHRISTOPHER KUEHN, MICHAEL LAMACH, RAY PITTARD, DAVID REGNERY, AMY ROEDER, ALLAN TANANBAUM, EVAN TURTZ, MANLIO VALDES, and ROBERT ZAFARI Defendants.	Adv. Pro. No. 22-03029

PLAINTIFF'S OBJECTION TO DEFENDANTS' SUPPLEMENTAL MEMORANDUM IN SUPPORT OF MOTION TO STAY ADVERSARY PROCEEDINGS

The Official Committee of Asbestos Personal Injury Claimants (the "Committee" or "Plaintiff"), in its own capacity and on behalf of the estates of Aldrich Pump LLC ("Aldrich") and Murray Boiler LLC ("Murray," and together with Aldrich, the "Debtors"), by and through its undersigned attorneys, submits this objection to *Defendants' Motion to Stay Adversary Proceedings* [ECF No. 2822][2] (the "Stay Motion")[3] and *Defendants' Supplemental Memorandum*

[2] Adv. Pro. No. 21-03029, ECF No. 169; Adv. Pro No. 22-03028, ECF No. 98. References herein to "ECF No.," unless otherwise stated, shall refer to filings in the case *In re Aldrich Pump LLC*, No. 3:20-bk-30608 (LMJ) (Bankr. W.D.N.C.).

[3] The Committee referred to the motion as a "Motion to Stay" in prior briefing (*see, e.g.*, ECF No. 2842), but for purposes of consistency, the Committee will refer to it as the "Stay Motion."

in Support of Motion to Stay Adversary Proceedings [ECF No. 3122][4] (the "Supplement") filed by Trane Global Holding Company Limited f/k/a Ingersoll-Rand Global Holding Company Limited, Trane Technologies Holdco Inc., Trane Technologies Company LLC, Trane Inc., TUI Holdings Inc., Trane U.S. Inc., and Murray Boiler Holdings LLC (collectively, the "Trane Defendants") and the Debtors (collectively, the "Defendants"), and states as follows:

PRELIMINARY STATEMENT

1. Defendants ask this Court to halt the Adversary Proceedings on the ground that they challenge the merits of the Committee's claims.[5] While, of course, the Committee takes the opposing position regarding the merits of its claims—claims which have already been found colorable and/or plausible—the merits of those claims are not a basis to grant a stay, discretionary or otherwise.

2. At bottom, Defendants' requested relief seeks to avoid their obligation to produce documents by the deadline set in the Court's most recent Case Management Order (defined below). Pursuant to the Case Management Order, the parties negotiated and agreed to certain discovery parameters, which began a six-month period for Defendants to substantially complete their document productions. More than four months into the six-month timeline, Defendants have presumably completed the bulk of their document review and have begun preparing documents for production. Yet, since the parties agreed to custodians and search terms (as required by the

[4] Adv. Pro. No. 21-03029, ECF No. 226; Adv. Pro No. 22-03028, ECF No. 157.

[5] The Future Claimants Representative, curiously, has joined Defendants in their request, substantially mirroring the Defendants' arguments. *The Future Asbestos Claimants' Representative's Response to Defendants' Supplemental Memorandum in Support of Motion to Stay Adversary Proceedings* [ECF No. 3141; Adv. Pro. No. 21-03029, ECF No. 230; Adv. Pro. No. 22-03028, ECF No. 161]; *see also The Future Asbestos Claimants' Representative's Omnibus Response to (I) Debtors' Motion to Stay Adversary Proceedings, and (II) Official Committee of Asbestos Personal Injury Claimants' Motion to Amend Case Management Order* [Adv. Pro. No. 21-03029, ECF No. 175]. Thus, this objection addresses the arguments made by the FCR as well.

Case Management Order), Defendants have not produced a single document in the Adversary Proceedings, despite Plaintiff's multiple requests.

3. Defendants' purported justifications for such extraordinary relief are based not on facts or law, but on layered speculation about: (i) what *might* occur in mediation at some *unspecified* time in the future, (ii) what *might* result from Phase I estimation trial, and (iii) what *might* happen if the Committee changes its views in the Adversary Proceedings, whether due to reconstitution or something else. Yet, Defendants cite no authority to support their position; a discretionary stay cannot rest on such conjecture.

4. Defendants' attacks on the Committee's legal theories—*i.e.*, merits-based claims—likewise do not justify a stay. Defendants cite no authority in the Stay Motion or Supplement to support the assertion that a defendant's position on the merits is a basis upon which discretionary stays are granted; if it were, any defendant could and would attempt to stay undesired litigation. The Committee seeks discovery necessary to address core merits issues unrelated to estimation that must be resolved for these cases to reach final resolution. Seeking to stay discovery based on speculation that the Committee has no evidence to support its claims, notably while Defendants have produced nothing from the agreed search parameters, is premature[6] and inappropriate. A grant of stay relief based on Defendants' speculative opinion of Plaintiff's claims, ***all while withholding the discovery to fill any of Defendants' claimed evidentiary gaps***, is wholly unsupported by the law.

5. Nor do the supposed "developments" cited by Defendants in the Supplement justify a stay or excuse Defendants from their discovery obligations:

[6] Defendants' merits arguments are therefore improper on a motion to stay, especially where the Committee's claims have already survived a motion to dismiss. If, after discovery, Defendants believe a dispositive motion is warranted, they remain free to file one. But Defendants cannot be permitted to short-circuit the proceedings and curtail discovery based on speculation alone.

a. First, Judge Volk's denial of leave to appeal (which derives from a consolidated motion for leave to appeal the orders denying the motions to dismiss in the *Aldrich* and *Bestwall* chapter 11 cases) does not alter the governing procedural posture; it simply forecloses Defendants' prior divestiture-rule and stay-pending-appeal arguments, which Defendants now repackage as a request for a discretionary stay.

b. Second, as this Court has noted,[7] the reconstitution of the Committee likewise does not impair (let alone suspend) the Committee's statutory authority to prosecute these Adversary Proceedings. To the contrary, it reflects the tragic reality that asbestos claimants, many of whom suffer from severe and life-threatening medical conditions, may pass away during the pendency of these bankruptcy cases, and it should not serve as a basis for delay.

c. Third, Defendants' reliance on Judge Edwards's recent ruling on a motion to compel in *In re DBMP LLC*, No. 3:20-bk-30080 (AAE) (Bankr. W.D.N.C.) ("*DBMP*") is also misplaced. That ruling, among other things, denied application of the crime-fraud exception *without prejudice* precisely to permit further discovery so the issues (including the purpose of the funding agreement entered in connection with the DBMP corporate restructuring) could be litigated on a more fully developed record—underscoring why a stay is inappropriate here as well.

d. Fourth and finally, Defendants' invocation of *Red River* is entirely off point; the decision Defendants cite was a dismissal based on lack of Article III standing against individual tort claimants suing outside of bankruptcy court. That case is not analogous to, and has no bearing on, the Committee's fraudulent transfer, substantive consolidation, and other claims in these Adversary Proceedings.

Defendants' heavy reliance on these misconstrued examples exposes that they have no basis in law for the extraordinary relief they seek.

6. The Court should also deny the Stay Motion for practical reasons. Defendants want each element of these complex and long-running cases to be handled seriatim, with the Adversary Proceedings held in suspended animation until all other legal avenues are closed off. Yet rather than create efficiency, as Defendants claim, this approach would further extend the timeline of these Adversary Proceedings and, thus, these cases. Defendants have not demonstrated the clear

[7] Aug. 28, 2025 Hr'g Tr. at 50:2–9 (noting that the governance issues of the Committee should not be utilized to delay any proceedings in the chapter 11 cases).

need required to justify such a drawn-out, inefficient process. Instead, they advance a series of "what-ifs," yet make no showing of what would occur if those contingencies failed to materialize—rendering the Adversary Proceedings suspended indefinitely.

7. In sum, to justify a discretionary stay, Defendants must demonstrate *clear and convincing* circumstances that outweigh the resulting prejudice to the Committee, and that the interests of judicial economy are served by the requested stay. Defendants have not met that burden. The only tangible effects of a stay would be to shield Defendants from their discovery obligations—which the Fourth Circuit has specifically held is an insufficient justification to grant a stay[8]—and further delay these Adversary Proceedings. Thus, no ground exists to grant a stay, let alone justify a delay of the Adversary Proceedings.

BACKGROUND OF "RECENT" EVENTS

8. The Committee incorporates by reference the relevant background set forth in its prior *Objection to Defendants' Motion to Stay Adversary Proceedings* [ECF No. 2842; Adv. Pro. No. 21-03029, ECF No. 177; Adv. Pro. No. 22-03028, ECF No. 104] and addresses herein only the matters identified by Defendants as purported "developments" after the October 23, 2025 hearing, none of which justifies delaying discovery in these Adversary Proceedings.

A. Reconstitution of the Committee

9. On August 7, 2025, the Committee filed its *Motion of the Official Committee of Asbestos Personal Injury Claimants to Substitute Committee Members* [ECF No. 2769] (the "Substitution Motion"), seeking to substitute estate representatives for eight original Committee members who had passed away from their asbestos-related diseases.

10. Following a hearing on August 28, 2025, the Court entered an order, granting in

[8] *See*, *infra*, ¶ 24 (noting that the Fourth Circuit has held that the cost of litigation is not a basis to stay discovery).

part and denying in part the Substitution Motion and directing the Bankruptcy Administrator for the Western District of North Carolina (the "Bankruptcy Administrator") to add members to the Committee. *See Order Granting in Part and Denying in Part the Official Committee of Asbestos Personal Injury Claimants' Motion to Substitute Committee Members* [ECF No. 2814]. Pursuant to that directive, the Bankruptcy Administrator filed a *Notice of Appointment to the Official Committee of Asbestos Personal Injury Claimants* on October 27, 2025 [ECF No. 2870], which was amended and re-filed on November 6, 2025 [ECF No. 2885], reconstituting the Committee.

11. Defendants then sought discovery into the Committee's reconstitution and governance through the *Debtors' Motion for Bankruptcy Rule 2004 Examination of the Official Committee of Asbestos Personal Injury Claimants* [ECF No. 2824] (the "Rule 2004 Motion"), which the Court denied after the Bankruptcy Administrator confirmed that her appointment process was complete and that further backward-looking discovery was neither helpful nor appropriate. *See* Nov. 20, 2025 Hr'g Tr. at 12:7–14, 43:13.

12. The Bankruptcy Administrator also proposed a new round of mediation, and the Court entered the *Amended Order Establishing Mediation Protocol* [ECF No. 3004] on January 16, 2026.

B. Estimation Was Long Under Consideration

13. Estimation in the main bankruptcy case has been underway for over four years, beginning with the Court's entry of the *Order Authorizing Estimation of Asbestos Claims* [ECF No. 1127] on April 18, 2022.

14. Over the last several years, the Court has entered successive amended estimation case management orders, including the *First Amended Case Management Order for Estimation of Asbestos Claims* [ECF No. 1804] on June 12, 2023 and the *Seconded Amended Case Management Order for Estimation of Asbestos Claims* [ECF No. 2656] on April 17, 2025, each refining the

methodology and schedule for estimation.

15. The *Order Commencing Phase I of the Estimation Trial With Hearings Based on the Tort System Extrapolation Method and the Parties' Expert Reports* [ECF No. 3011], entered on January 23, 2026, bifurcates estimation into a Phase I tort-system extrapolation trial and a subsequent Phase II legal-liability trial. Trial for Phase I is scheduled to begin on August 10, 2026.

C. Judge Volk Denies Motion for Leave to Appeal

16. On August 14, 2025, Judge Volk, a district court judge sitting by designation in the Western District of North Carolina, consolidated the briefing on the motions for leave to appeal filed in the *Bestwall* case and these chapter 11 cases. *See Order* [ECF No. 37], *Robert Semian and Other Clients of MRHFM v. Aldrich Pump LLC, et al.*, No. 3:24-cv-00044 (W.D.N.C. Aug. 14, 2025). Judge Volk thereafter denied leave to appeal the interlocutory dismissal orders in *Official Committee of Asbestos Claimants v. Semian*, 809 F. Supp. 3d 383, 392 (W.D.N.C. 2025).

17. In the decision, Judge Volk addressed only the threshold question of whether the Bankruptcy Court's orders denying the motions to dismiss were interlocutory orders for which discretionary review was warranted. *Id.* at 391. He did not resolve—and did not purport to resolve—the merits of the underlying dismissal order, which the Committee remains free to pursue on appeal at the conclusion of the cases.

D. Judge Edwards's Ruling on the Committee's Motion to Compel in *DBMP*

18. Judge Edwards's recent ruling on the *DBMP* committee's motion to compel discovery was the culmination of nearly five years of privilege disputes in that case, including a multi-year process where a discovery referee was ultimately retained to review privilege log entries and address privilege log sufficiency, the crime-fraud exception, and at-issue waiver.[9]

[9] *See Order Partially Granting and Sustaining and Partially Denying Plaintiffs' Privilege Motion and Defendants' Objection* [ECF No. 3390], *In re DBMP LLC*, No. 3:20-bk-30080 (AAE) (Bankr. W.D.N.C. Mar. 16, 2026) ("DBMP

19. After reviewing 3,573 documents, Judge Edwards found waiver as to various subjects, including the funding agreement entered in the DBMP corporate restructuring. *DBMP* Privilege Order ¶¶ 309–10, 323, 335, 337. At the same time, the court denied application of the crime-fraud exception *without prejudice*. *Id.* ¶¶ 186–90. The court expressly recognized that the exception could be revisited as additional discovery proceeds—including further discovery directed to the funding agreement—in part because the issue is "more appropriately addressed through a fulsome consideration of the merits after discovery." *Id*. ¶¶ 186, 189–90.

ARGUMENT

I. Defendants Still Fail to Establish Any Basis to Stay Discovery

20. Although courts possess inherent power to stay proceedings "to achieve equity and to ensure the efficient management [of their] docket[s]," that authority "is not unbounded." *N.C. State Conf. of NAACP v. Cooper*, 397 F. Supp. 3d 786, 797 (M.D.N.C. 2019) (internal quotations and citations omitted). The exercise of that discretion is governed by three settled factors: "(1) the interests of judicial economy; (2) the hardship and equity to the moving party in the absence of a stay; and (3) the potential prejudice to the non-moving party in the event of a stay." *Id.* (internal quotations and citations omitted); *see also Gibbs v. Plain Green, LLC*, 331 F. Supp. 3d 518, 525 (E.D. Va. 2018) (same).

21. Critically, the burden on the moving party is a heavy one, and any doubt must be resolved against a stay. "The burden rests on the party seeking the stay to 'justify it by ***clear and convincing circumstances*** outweighing potential harm' to the opposing party." *Cooper*, 397 F. Supp. 3d at 797 (quoting *Williford v. Armstrong World Indus., Inc.*, 715 F.2d 124, 127 (4th Cir.

Privilege Order"); *see also Order Appointing Discovery Referee and Establishing Protocol for Resolution of Crime-Fraud/Waiver Motion* [ECF No. 2290], *In re DBMP LLC*, No. 3:20-bk-30080 (AAE) (Bankr. W.D.N.C. Feb. 16, 2023); Apr. 17, 2024 Hr'g Tr., *In re DBMP LLC*, No. 3:20-bk-30080 (AAE) (Bankr. W.D.N.C.) at 65:18–66:9 (describing the three privilege issues assigned to the discovery referee).

1983)) (emphasis added); *In re Webb*, No. 3:15–bk–30498, 2017 WL 730429, at *1 (Bankr. S.D.W. Va. Feb. 23, 2017) ("The movant is obliged to justify [a stay] by clear and convincing circumstances outweighing potential harm to the nonmovant.") (internal quotations and citation omitted).

22. Lower courts routinely reject motions to stay discovery. In *Kennedy v. Federal National Mortgage Association*, the court explained that "[m]otions to stay are generally disfavored because delaying discovery may cause case management problems as the case progresses or impede the court's responsibility to expedite discovery."[10] Likewise, in *Brown-Thomas v. Hynie*, the court "decline[d] to stay discovery, deadlines, or scheduling orders for these proceedings," noting the "general policy disfavoring the staying of discovery."[11]

23. Under the Case Management Order, discovery is authorized to proceed—and Defendants must substantially complete production of documents by July 6, 2026.[12] Defendants do not contend that merits adjudication is imminent or that the proceedings otherwise warrant suspension; rather, their Supplement is a naked attempt to halt their obligations to produce documents before the discovery period closes. Granting a stay in these circumstances would do nothing more than terminate discovery altogether and relieve Defendants of obligations mandated by this Court. There is no legal or equitable basis for such relief.

24. Notably, the only harm Defendants identify is the cost of discovery (Supplement at 2). But courts have repeatedly rejected that argument as insufficient to justify a discretionary stay.

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[10] No. 4:13-CV-203-F, 2013 WL 5885154, at *1 (E.D.N.C. Oct. 31, 2013) (citing *Simpson v. Specialty Retail Concepts*, 121 F.R.D. 261, 263 (M.D.N.C.1988); *Kron Medical Corp v. Groth*, 119 F.R.D. 636, 638 (M.D.N.C. 1988)).

[11] No. 1:18-CV-02191-JMC, 2019 WL 1043724, at *7 (D.S.C. Mar. 5, 2019) (quoting *Kron Med. Corp.*, 119 F.R.D. at 638).

[12] *Second Amended Case Management Order* [Adv. Pro. No. 21-03029, ECF No. 197, Adv. Pro. No. 22-03028, ECF No. 124, Adv. Pro. No. 22-03029, ECF No. 98], ¶ C.5.vi (the "Case Management Order").

As the Fourth Circuit explained, while discovery may be "taxing and burdensome," such burdens "do[] not constitute a sufficient offset to the plaintiff's right to have his case resolved without undue delay." *Williford*, 715 F.2d at 128. Likewise, courts have held that litigation expenses—even significant ones—do not constitute irreparable harm and do not justify suspending proceedings. *E.E.O.C. v. Rath Packing Co.*, 787 F.2d 318, 325 (8th Cir. 1986) (finding that "litigation expenses alone do not justify a stay of a proceeding") (citation omitted). The same principle applies here.

25. Moreover, the Supreme Court has long emphasized that even a modest risk of harm to the non-movant is fatal to a stay request: "if there is even a fair possibility that the stay . . . will work damage to some one else," the party seeking the stay "must make out a clear case of hardship or inequity in being required to go forward." *Landis v. N. Am. Co.*, 299 U.S. 248, 255 (1936). Defendants make no such showing here. To the contrary, halting discovery now would plainly prejudice the Committee by foreclosing access to necessary evidence.

26. In short, Defendants seek to use a discretionary stay as a procedural escape hatch—one that would cut off discovery entirely, evade court-ordered obligations, and leave these Adversary Proceedings stalled indefinitely. Neither equity nor the law supports that result. Because Defendants cannot demonstrate clear and convincing circumstances justifying a stay—and because the only asserted hardship is expected litigation cost—the Stay Motion should be denied, and discovery should proceed as ordered.

II. Defendants' Premature Merits Challenges Should be Disregarded, Particularly in the Face of Their Own Request to Avoid Discovery on the Merits

27. Defendants cannot have it both ways. They should not be allowed to attack the merits of the Committee's claims, while simultaneously seeking to prevent the development of a factual record necessary to evaluate and adjudicate those claims. That approach is fundamentally unfair and procedurally improper. As Defendants correctly note in the Supplement, "[a]ctivity to

date has been limited largely to written discovery and correspondence, meet and confers, and limited motion practice[.]" Supplement at 2. To date, however, ***Defendants*** have not provided evidence relevant to the claims and defenses at issue, as required by the Case Management Order. Substantial, meaningful discovery remains outstanding,[13] and it is disingenuous for Defendants, on the one hand, to accuse the Committee of lacking certain evidence for its claims while, on the other hand, seeking to withhold the documents and testimony that could fill any supposed evidentiary gaps.

28. In an attempt to justify the stay relief, Defendants also double-down by misrepresenting the Committee's theory for substantive consolidation as one that has "never been proposed to . . . any court." Supplement at 2. First, discussion of the merits of the Committee's claims, ***which were proposed to the Court*** and survived a motion to dismiss,[14] is for another time.[15] Second, that the facts of these cases may be novel (by Defendants' own doing) does not preclude

[13] For example, in its Second Set of Interrogatories to Defendants, the Committee asked Defendants to explain and support their claim that they "acted in good faith, in compliance with the applicable law, and with no intent to hinder, delay, or defraud asbestos claimants." This interrogatory is substantively related to the Committee's Substantive Consolidation case, yet Defendants only provided a cursory response, and the Debtors declined to provide any response at all. *See The Trane Defendants' Responses and Objections to Plaintiff's Second Set of Interrogatories to Defendants*, Adv. Pro. No. 21-03029, Mar. 31, 2026, at 12–14. Defendants also previously agreed to run certain relevant search terms, such as: "settle* W/10 (asbes* OR liabili* OR action OR Aldrich OR Murray OR 'MB Holdings' OR Trane* OR Ingersoll* OR IRGH OR IRNJ)." *See* Correspondence from Morgan R. Hirst, et al., to Glenn C. Thompson, et al., Exhibit A (March 7, 2025). This search string could yield evidence that is directly relevant to the Committee's claims.

[14] *See Order Denying in Part and Granting in Part the Motions of the Debtors and Non-Debtor Affiliates to Dismiss the Adversary Complaint* [Adv. Pro. No. 21-03029, ECF 71]. Indeed, Judge Whitley stated that he considers the Committee's creditor-reliance theory to be credible. During a hearing on April 1, 2022, he stated that "tort creditors are, in fact involuntary creditors" and that "given the numerous cases where we had pre-petition settlements that were arrived at but not paid, that you might derive a . . . credit relationship there. . . . I agree with the ACC on their argument." Apr. 1, 2022 Hr'g Tr. at 24:22–25:3.

[15] Courts routinely reject stay motions where, as here, the movant attempts to relitigate the merits instead of addressing the governing stay factors. In *Hetrick v. IINK Corp*., the court denied a motion to stay discovery, emphasizing that the movant's opposition "discusses none of the relevant stay factors" and instead "attempts to relitigate the merits." No. 1:23cv961 (DJN), 2024 WL 1417952, at *4 (E.D. Va. Apr. 2, 2024). The court underscored that discovery should proceed because the plaintiff "deserves to have his own day in court to litigate the merits of his claim." *Id*. at *5, 8. The same principle applies here: Defendants may not use a stay motion to curtail discovery by advancing premature merits arguments.

the application of substantive consolidation to Defendants as an equitable remedy. "[T]he idea is to make sure that you can adapt . . . the equitable standards to deal with the circumstances instead of having statutory requirements,"[16] as "[t]he whole point of the remedy [of substantive consolidation] . . . is to keep people from pleading around situations that the law doesn't really contemplate."[17]

29. In sum, Defendants' arguments opposing substantive consolidation were raised, considered, and rejected at the pleading stage. To avoid complying with the Court's discovery schedule, Defendants are now attempting to prematurely litigate the merits of the Committee's position here.[18] Defendants have provided no reason the Court should deviate from its own schedule requiring Defendants to fulfill their obligations.

30. Notably, Defendants fail to make an equivalent argument as to the merits of the Committee's fraudulent transfer claims, instead relying on a confusion of the law. Defendants assert that the Court should stay the Adversary Proceedings because the Committee's claims are allegedly too speculative, as they depend on whether the Trane Defendants will honor the Funding Agreements or whether their assets will ultimately prove sufficient. That argument inverts the relevant legal inquiry. Solvency for fraudulent-transfer purposes is measured at the time of the transfer—here, the 2020 Corporate Restructuring—not at some future date dependent on voluntary

[16] Apr. 1, 2022 Hr'g Tr. at 24:17–19 (Whitley, J.); *see also* Feb. 10, 2022 Hr'g Tr., *In re DBMP LLC*, No. 3:20-bk 30080 (AAE) (Bankr. W.D.N.C.) at 197:8-12 (Whitley, J., explaining that "[t]here are three oft-cited standards, but again, they are just kind of trying to put some fenceposts out there somewhere so that you have something other than a judge's individual notions of subjective fairness . . . to use as guideposts").

[17] Apr. 1, 2022 Hr'g Tr. at 24:19–22 (Whitley, J.); *see also id.* at 24:14–16 (explaining that the standards for substantive consolidation are "malleable" and "indicators" that are "not requirements because this is equity").

[18] *See, e.g.*, Supplement ¶¶ 22–24. Notably, given the Court has previously rejected Defendants' substantive consolidation arguments on this very point, the Committee submits that such rejection certainly demonstrates that Defendants have failed to meet the clear and convincing standard required to justify a stay. *See*, *supra*, ¶ 21.

performance by third parties.[19] Were Defendants' theory accepted, avoidance powers would vanish in any case where a non-debtor might someday pay. That is not the law, and it is certainly not a basis to stay claims that have already survived a motion to dismiss.

31. Fundamentally, it is improper to litigate the merits of claims in the context of a stay request when discovery is ongoing and the factual record remains underdeveloped—especially where the parties seeking the stay have not made any document productions since entry of the Case Management Order. Having lost at the motion-to-dismiss stage, Defendants' proper recourse is to complete discovery followed by dispositive motion practice or trial—not to seek a stay designed to prevent the Committee from obtaining the evidence necessary to prove its case.

III. Defendants' Attempt to Apply Law of the Case to the Adversary Proceedings, Simply to Avoid Discovery Obligations, Is Improper

32. Defendants contend that simply because the Committee has argued that the "Texas Two-Step" was improper in a different procedural context, it is somehow barred from pursuing fraudulent-transfer, substantive-consolidation, and breach-of-fiduciary-duty claims arising from the same restructuring in the Adversary Proceedings. That is plainly not the law. Even if courts blessed the Texas Two-Step as a legitimate maneuver through which to file for bankruptcy, that would not immunize *these cases* from legal challenges. Judge Edwards's *DBMP* Privilege Order, entered after a motion to dismiss in *DBMP* and which Defendants cite, makes this very point.[20]

33. Defendants misrepresent the contents and effect of the Order Denying Dismissal. There, the Court only addressed whether the Debtors were eligible debtors under section 109,

[19] *See, e.g.*, *Friedman v. Wellspring Cap. Mgmt., LLC*, Adv. Pro No. 19-80071-HB, 2024 WL 205054, at *8 (Bankr. D.S.C. Jan. 18, 2024) (determining solvency at the time of transfer for purposes of examining a fraudulent transfer claim).

[20] *DBMP* Privilege Order ¶ 176 (holding that "any individual transaction can fall within a broadly legal transaction type yet still be illegal in its specific application").

whether the *Carolin* bad-faith standard was met, and whether there was "cause" for dismissal under section 1112(b). It did not adjudicate the elements of a fraudulent-transfer claim (including, to the extent applicable, solvency at the time of the corporate restructuring) or resolve the distinct standards governing substantive consolidation—*i.e.*, causes of action and remedies governed by different bodies of law and turn on facts that must be developed through discovery, including discovery unrelated to the standards for dismissal. Thus, Defendants' expanded view of the law of the case doctrine here is incorrect; to determine otherwise would render adjudications of motions to dismiss dispositive of any fraudulent transfer, substantive consolidation, or other claims.

34. In fact, separate adjudication of motions to dismiss, on the one hand, and estate and related causes of action, on the other hand, is consistent with this Court's prior decisions. On the day he denied the motion to dismiss, Judge Whitley refused to withdraw his previous grant of the Committee's derivative standing to pursue the fraudulent-transfer and fiduciary-duty proceedings.[21] Judge Whitley acknowledged that "the breach of fiduciary duties to creditors issue is currently being litigated in an adversary proceeding and cannot be decided on [the] motion [to dismiss]." Order Denying Dismissal at 63. The same is true of the other issues central to the Adversary Proceedings. Defendants' attempt to collapse those issues into a dismissal ruling fails.

35. Defendants' Supplement again raises the Committee's position on the Debtors' solvency as a basis to award a stay of their discovery obligations. While the Committee submits that this issue has been fully briefed, it feels compelled to reiterate the black-letter principle that a plaintiff may assert multiple, alternative legal theories arising from a single set of facts, even where

[21] *Order Granting Motion of the Official Committee of Asbestos Personal Injury Claimants for Entry of an Order Granting Leave, Standing, and Authority to Investigate, Commence, Prosecute, and to Settle Certain Causes of Action* [ECF No. 1121]; *Order Denying Debtor's [sic] Motion to Withdraw Derivative Standing from the Official Committee of Asbestos Personal Injury Claimants* [ECF No. 2046]; *Order Denying Motions to Dismiss* [ECF No. 2047] (the "Order Denying Dismissal").

those theories involve different legal standards or remedies.[22]

36. In sum, Defendants' position that the Committee cannot succeed in these Adversary Proceedings because it did not succeed in dismissing these cases, taken to its logical conclusion, would mean that any creditor who unsuccessfully sought dismissal of a chapter 11 case on bad-faith grounds would forfeit every other cause of action touching the same transactions—fraudulent transfer, substantive consolidation, breach of fiduciary duty, and avoidance claims under sections 544, 548, and 550 of the Bankruptcy Code. No court has ever adopted such a "one-bite" rule, as evidenced by Defendants' failure to cite to a single authority supporting their position.

37. Most fundamentally, despite Defendants' repeated attempts, the merits are not to be considered, let alone litigated, in the context of a discretionary stay—especially where ***Defendants have not produced a single document since entry of the Case Management Order***. The Committee has cleared the pleading stage. The cases are now in discovery, precisely where factual disputes are to be developed and tested. If Defendants believe discovery ultimately reveals grounds for dispositive relief, they are free to pursue dispositive motion practice at the appropriate time. What they may not do, however, is block discovery altogether and then argue, based on an undeveloped record of their own making, that the Committee's claims lack merit.

IV. The Denial of Leave to Appeal, Estimation, Mediation, and Reconstitution Provide No Basis to Stay Discovery

38. None of the matters Defendants cites since October 2025—when this Court continued the Stay Motion for six months—provides any basis for staying discovery. Under the

[22] Federal Rule of Civil Procedure 8, incorporated by Bankruptcy Rule 7008, expressly permits pleading in the alternative. Fed. R. Civ. Pro. 8(a)(3) ("[A] demand for the relief sought . . . may include relief in the alternative or different types of relief."); *see also In re Schamens*, No. 23-10483, 2026 WL 922289, at *11 n.25 (Bankr. M.D.N.C. Apr. 3, 2026) ("Alternative pleading is permitted under Fed. R. Civ. P. 8(d)(2), made applicable to [] adversary proceeding[s] by Rule 7008."); Fed. R. Civ. P. 8(d)(2) ("A party may set out 2 or more statements of a claim or defense alternatively or hypothetically, either in a single count or defense or in separate ones. If a party makes alternative statements, the pleading is sufficient if any one of them is sufficient.").

Case Management Order, Defendants are required to substantially complete production of documents in the Adversary Proceedings by July 6, 2026. What Defendants seek, therefore, is not a stay of adjudication, but a stay that would justify their failure to produce a single document in the last four months, cut off the remaining two months of discovery, and put off indefinitely their production obligations. The alleged "developments" that Defendants cite are red herrings that attempt to disguise this ultimate goal.

39. To start, Judge Volk's denial of the motion for leave to appeal cuts against Defendants and underscores why the Stay Motion lacks merit. Defendants originally sought a stay due to the pending motion for leave to appeal.[23] That basis no longer exists. Unable to rely on a stay pending appeal, Defendants now repurpose their prior arguments—without identifying any circumstance that would merit suspending discovery. The ongoing estimation proceeding likewise provides no basis to stay discovery in the Adversary Proceedings. Defendants note upcoming expert depositions and pre-hearing filings in the estimation process, but that parallel activity does not justify stopping discovery here. Defendants, who are represented by multiple sophisticated law firms with hundreds of lawyers and ample resources, can offer no reason why they would be unable to participate in expert-related activity **and** complete fact discovery in the Adversary Proceedings (the latter of which should be well underway by now, given the approaching production deadline). Moreover, ***the Trane Defendants are not participants in estimation***, further undermining any claim of burden. Defendants also had an opportunity to raise their supposed concerns about time and resource constraints when the parties were negotiating the schedule for the estimation proceedings. As they did not do so then, these claims are unavailing now.

40. Critically, the estimation proceeding will not resolve—and is not designed to

[23] ECF No. 2822; Adv. Pro. No. 21-03029, ECF No. 169; Adv. Pro. No. 22-03028, ECF No. 98.

resolve—core factual issues that instead must be developed through discovery in these Adversary Proceedings. By way of example, discovery is required on matters wholly independent of estimation, including:

Fraudulent-Transfer Discovery

- Additional discovery related to transactional documents concerning the challenged restructuring (including divisional-merger agreements, funding agreements, separation agreements, board minutes, steering-committee materials, and tax opinions).

- Communications among directors, officers, parent-entity executives, restructuring counsel, and financial advisors bearing on intent, purpose, and knowledge of asbestos exposure—referred to as the classic "badges of fraud."

Substantive-Consolidation Discovery

- Evidence of how the enterprise held itself out to creditors, including in key communications with creditors.

- Communications among directors, officers, parent-entity executives, restructuring counsel, and financial advisors evidencing an attempt to place assets beyond the reach of asbestos creditors, and to hinder, delay, and defraud creditors.

- Facts and circumstances surrounding unpaid prepetition settlements that asbestos claimants entered into with Defendants or their predecessors, as well as the specific terms of such settlements.

None of these issues will be decided, let alone addressed, in the estimation proceeding.

41. The prospect of mediation also provides no basis to stay discovery. Defendants offer no explanation why halting fact discovery for the final two months authorized by the Case Management Order would advance that process. To the contrary, courts routinely recognize that ongoing discovery promotes informed and meaningful settlement discussions.[24] Suspending

[24] *See, e.g.*, *Scott v. Clarke*, No. 3:12–CV–00036, 2016 WL 452164, at *10 (W.D. Va. Feb. 6, 2016) (noting settlement was facilitated by extensive discovery, including 27 depositions, and that "[f]ull discovery had been completed well before settlement negotiations began, thereby facilitating an informed decision by the parties regarding settlement" (internal quotations and citations omitted)); *Ciarciello v. Bioventus Inc.*, 760 F. Supp. 3d 377, 396 (M.D.N.C. 2024) (approving settlement where extensive discovery enabled the parties to understand the merits of their respective positions before resolving the case).

discovery now would impede, not advance, any potential mediation.

42. Finally, Defendants' reliance on the reconstitution of the Committee is a distraction. Committee membership has no bearing on the claims or defenses in these Adversary Proceedings and does not affect the Committee's statutory authority to prosecute them. Defendants say that they are "hopeful" that "the newly constituted Committee, guided by the Court's directive on proper Committee governance, can finally facilitate productive negotiations[.]" Supplement ¶ 14. But the Court's guidance was that the individual members of the Committee must be involved in, and responsible for, the direction the Committee takes. They are. The Committee specifically opposes a stay of the Adversary Proceedings. Defendants cite no authority suggesting that a committee's reconstitution—an event that may recur given the serious medical conditions from which many Committee members suffer—provides any basis to halt discovery or stay litigation. This argument is legally irrelevant, offers no justification whatsoever for staying discovery, and should be disregarded. Even further, the fact that the Committee represents asbestos victims likely to pass away during the pendency of this litigation is a factor that weighs in favor of deciding not to stay discovery. The sooner the parties can proceed in their respective paths, the better chance all parties have of reaching informed and meaningful settlement discussions. *See, e.g.*, *Clarke*, 2016 WL 452164, at *10.

V. Defendants' Reliance on Unrelated Proceedings Does Not Warrant a Discovery Stay

43. Defendants rely on a series of decisions from *unrelated* proceedings that are procedurally and substantively off the mark. None bears on the issues presented here—let alone on whether discovery should proceed under this Court's Case Management Order. When examined in their proper procedural postures and factual contexts, these authorities do not support Defendants' position; they expose how unfounded Defendants' request to halt discovery truly is.

44. ***Red River Talc* Is Not This Case.** Defendants rely heavily on *Love v. Red River*

Talc, LLC, No. 24-6320 (MAS)(RLS), 2026 WL 242061 (D.N.J. Jan. 29, 2026), asserting that it stands for the proposition that the "Texas Two-Step" does not give rise to cognizable fraudulent-transfer claims. That characterization fundamentally misstates both the holding and the posture of *Red River*.

45. *Red River* was a **non-bankruptcy** district-court action brought by individual tort plaintiffs asserting direct state-law fraudulent-transfer claims against non-debtor affiliates. The only injury alleged by the individual plaintiffs was delay resulting from the bankruptcy filing—that the defendants' affiliate debtor initiated, as well as resulting post-petition litigation stays against the defendants. *See id.* at *4. The district court held that the plaintiffs had not pleaded a concrete, non-speculative injury sufficient to confer Article III standing, and that permitting their state-law claims to proceed would intrude on the Bankruptcy Code's comprehensive framework governing estate causes of action. *See id.* at *4–5. The district court did not adjudicate the elements of a fraudulent-transfer claim, did not apply the Bankruptcy Code, and the case did not otherwise arise in the bankruptcy forum.

46. In contrast here, the Committee is not an individual tort plaintiff asserting a free-standing state-law theory in district court. Among other things, it is the duly authorized representative of the estates, proceeding with derivative standing in this Bankruptcy Court, and asserting avoidance claims under the Bankruptcy Code and applicable state fraudulent-transfer law arising from the ***prepetition*** corporate restructuring. Thus, the standing concerns animating *Red River*—particularly whether litigation delay alone constitutes an Article III injury—are wholly inapplicable to the Committee-prosecuted estate causes of action under sections 544 and 548 of the Bankruptcy Code. The Committee's claims are expressly contemplated by Congress and belong exclusively to the estate.

47. If anything, *Red River* cuts the other way. The district court there emphasized the Bankruptcy Code's "comprehensive" framework for addressing restructuring-related challenges—the very framework within which the Committee is proceeding here, in the bankruptcy forum, through statutorily authorized avoidance actions. *Red River*, 2026 WL 242061, at *5. Accordingly, *Red River* provides no support for Defendants' position and offers no basis for staying discovery in these Adversary Proceedings.

48. ***Herlihy* Is a Lift-Stay Decision.** Contrary to Defendants' assertions, the Fourth Circuit's decision in *Herlihy v. DBMP, LLC*, 167 F.4th 142 (4th Cir. 2026), in addressing a motion to lift the automatic stay, expressly and carefully limited its ruling, emphasizing that it was ***not deciding*** "whether the pre-bankruptcy Texas Two-Step process is appropriate or legal," but rather "only the standard for lifting a § 362(a) stay and whether the district court correctly applied that standard." *Id.* at 149. The Fourth Circuit did not rule on whether the prepetition divisional merger constituted a fraudulent transfer, did not address substantive consolidation, and did not foreclose avoidance and related actions prosecuted by an official committee on behalf of the estate. *See id.* In short, *Herlihy* is confined to stay-relief for individual tort plaintiffs and has no bearing on committee-prosecuted estate claims or provides any basis to stay these Adversary Proceedings.

49. **Defendants Mischaracterize Judge Edwards's *DBMP* Privilege Order.** In selectively quoting the *DBMP* Privilege Order, Defendants materially misrepresent the scope and holdings of Judge Edwards's *DBMP* Privilege Order. *See* Supplement ¶¶ 36–37.[25] Judge Edwards did not conclude that the Texas Two-Step was immune from fraudulent transfer claims, nor that the Committee has failed in its substantive consolidation claim.

[25] Judge Edwards chastised the DBMP defendants for having mischaracterized the same order just last week. *See Order and Opinion Granting Stay of Order* [ECF No. 3435], *In re DBMP LLC*, No. 3:20-bk-30080 (AAE) (Bankr. W.D.N.C. Apr. 29, 2026) ¶ 23 n.52 (noting that a statement by the DBMP defendants "misconstrues the order," and describing that statement as a "distortion").

50. In making her rulings solely regarding the application of waiver or exceptions to privilege (*i.e.*, discovery issues, not merits issues), Judge Edwards emphasized that she was "[not] suggesting that Texas two-steps are, by definition, immune from fraudulent transfer claims." *DBMP* Privilege Order ¶ 176 ("Of course, the Court is not rejecting that the Defendants' Texas Two-Step could be a fraudulent transfer."). To the contrary, Judge Edwards stressed that "no court has resolved" whether Texas two-steps are categorically immune from such claims and expressly "decline[d] to do so here." *Id.* Judge Edwards further made clear that even if Texas two-step restructurings are generally lawful, "that would not preclude a particular Texas two-step, or a particular transaction within or pursuant to a Texas two-step, being fraudulent," because any individual transaction may be unlawful in its specific application notwithstanding its broader legal category. *Id.*

51. In fact, Judge Edwards specifically rejected the DBMP defendants' contention that compliance with the DBMP funding agreement negates the possibility that a fraudulent transfer occurred. As the court explained by analogy, "[a] driver observing the speed limit when followed by a patrol car is no indication of the driver's speed once the patrol car exits the highway." *Id.* ¶ 184. The *DBMP* Privilege Order repeatedly underscores how central the funding agreement is to the fraudulent-transfer analysis[26] and confirms that discovery into the purpose, structure, and operation of that agreement is essential to a further crime-fraud determination.[27]

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[26] Judge Edwards also cataloged serious defects in the funding agreement, among them, that it "is not a loan"; that it imposes "no repayment obligation" and "[no] cap"; and that its funding "is contingent in at least six ways." *See id.* ¶¶ 29–30. Of note, the Funding Agreements at issue in these cases have additional problematic features beyond those in the funding agreement in DBMP. *See In re Aldrich Pump LLC*, No. 20-30608 (JCW), 2021 WL 3729335, at *14 (Bankr. W.D.N.C. Aug. 23, 2021) (finding that "these latest iterations of the Funding Agreements contain two new features not previously seen").

[27] *See, e.g.*, *id.* ¶ 185 ("Lastly, the Court finds that as to the inequivalent value badge, the Plaintiffs may be able to present plausible evidence that the value DBMP received for all of Old CT's asbestos liabilities is not reasonably equivalent ***since the enforceability and validity of the Funding Agreement is in question***.") (emphasis added); *id.* ¶ 189 ("briefing on the validity of the Funding Agreement would be required for the Court to find that the crime-fraud exception applies"); *id.* ¶¶ 311–24 (finding waiver of documents relating to the Funding Agreement because, among

52. The reasoning employed by Judge Edwards is instructive here. Discovery is all the Committee seeks at this time—and it is all that the current Case Management Order requires.

VI. The Harm of Delay Outweighs Any Asserted Hardship by Defendants; Judicial Economy is Served by Avoiding Unnecessary Delays

53. Entering a stay at this juncture in the Adversary Proceedings would cause substantial and irreparable harm to the Committee. Defendants seek an effectively indefinite stay that would freeze discovery before it can be completed under the Case Management Order. Allowing discovery to proceed through July 6 is not an extreme or unbalanced approach; it is the minimum necessary to preserve the Committee's ability to litigate these Adversary Proceedings on the merits. Ordering a stay now would do nothing more than cut off discovery entirely, to the Committee's detriment.

54. These Adversary Proceedings involve transactions and events pre-dating 2020, as agreed by both sides during the date and search term negotiations. Further delay will compound already-substantial evidentiary challenges. Courts routinely recognize that prolonged stays prejudice non-movants because documents are lost, data becomes inaccessible, employees leave, and memories fade.[28] These risks are not speculative; they are well-established consequences of suspending discovery mid-stream.

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other reasons, given the importance Defendants themselves place on the agreement as preventing fraud, claimants must be permitted to "stress-test" those assertions).

Defendants' reliance on *Love v. Edmonston*, 27 N.C. 354 (N.C. 1845) also does not save the day as to the viability of the Funding Agreements (Supplement ¶ 30). That nearly 180-year-old decision stands for the unremarkable proposition that a contract, once formed, is binding. It does not address—let alone resolve—the defects alleged in the Funding Agreements here, including their conditional and contingent nature or whether they defeat a fraudulent-transfer claim, as Defendants contend.

[28] *See, e.g.*, *Sutor v. Munich Reinsurance Co.*, No. 1:19-cv-1602 (LMB/JFA), 2020 WL 2124180, at *2 (E.D. Va. Mar. 10, 2020) ("[A] prolonged stay can make discovery unnecessarily difficult . . . as relevant employees leave and memories fade."); *Young v. Peraza*, NO. 15-60968-CIV-COHN/SELTZER, 2015 WL 4639736, at *2 (S.D. Fla. Aug. 4, 2015) (finding prejudice where witnesses' memories would fade); *Koppelman v. Galt Ocean Manor Condo. Ass'n*, No. 16-cv-62175-BLOOM/Valle, 2016 WL 6777896, at *1 (S.D. Fla. Nov. 16, 2016); *Cabiness v. Educ. Fin. Sols., LLC*, No.16-cv-01109-JST, 2017 WL 167678, at *3 (N.D. Cal. Jan. 17, 2017).

55. The prejudice here is particularly acute because the Committee represents asbestos creditors. Courts have repeatedly rejected discretionary stays where delay harms asbestos claimants whose health is deteriorating while litigation remains unresolved. In *Wedgeworth v. Fibreboard Corp.*, the Fifth Circuit vacated discretionary stays as "improvidently granted," emphasizing that courts must weigh competing interests and maintain an "even balance." 706 F.2d 541, 545–46 (5th Cir. 1983) (quoting *Landis*, 299 U.S. at 254–55). The court held that the movants failed to meet their burden because "[t]he realities of the hardship of a stay on the plaintiffs, many of whom allege that they are dying from asbestosis, is substantial and, in some instances, permanent," observing bluntly that "[t]he grim reaper has called while judgment waits." *Id.* at 545–46. The court deemed a stay tied to the uncertain conclusion of some bankruptcy proceeding as manifestly "indefinite" and therefore improper. *Id.*[29]

56. In short, a stay would operate as a discovery cutoff, not a balanced case-management tool. It would deprive the Committee of evidence, exacerbate the risks inherent in time-sensitive asbestos litigation, and shield Defendants from Court-ordered discovery obligations—based solely on cost concerns that courts have repeatedly rejected as a basis for a stay. Equity does not permit that result. The harm to the Committee is concrete and substantial, while Defendants identify no cognizable hardship sufficient to justify delaying discovery.

57. These same considerations confirm that judicial economy does not support a discretionary stay. Halting proceedings in the middle of fact discovery would create inefficiencies by forcing the parties and the Court to later reorient, revisit, and reconstruct where discovery left off. Fact discovery is already underway pursuant to the Court's Case Management Order, and the

[29] *See also Williford*, 715 F.2d at 127–28 ("Of particular significance in balancing the competing interests of the parties in the case at bar are the human aspects of the needs of a plaintiff in declining health as opposed to the practical problems imposed by the proceedings in bankruptcy, which very well could be pending for a long period of time. A stay under such circumstances would work manifest injustice to the claimant.").

most efficient course is to allow the parties to complete document productions on the existing Court-ordered schedule.[30] There is no practical conflict with the estimation proceeding: document production is scheduled through July 6, during which time the Committee will be reviewing and processing those materials while the parties prepare for the Phase I trial. Thus, there is no realistic risk of overlap or inefficiency, such as depositions interfering with trial preparation. The Committee is willing to coordinate reasonably to avoid any such issues, but there is no legal basis to halt discovery altogether. Allowing document discovery to proceed now ensures that the Adversary Proceedings can move forward promptly once Phase I concludes, rather than losing additional time with no corresponding benefit. In these circumstances, both the balance of harms and considerations of judicial economy—the elements to establish a discretionary stay—weigh decisively against a stay.

CONCLUSION

58. For the reasons stated herein, the Motion to Stay should be denied in its entirety. Defendants have provided no justifiable reason for relief from their pending obligations to produce documents by July 6, 2026—an obligation they have not even begun to fulfill.

[signature page to follow]

[30] The relief sought in the Supplement is effectively a request to reconsider the Court's Case Management Order requiring, among other things, Defendants to proceed with document production by July 6. Despite seeking relief that would alter that obligation, Defendants neither acknowledge nor satisfy the applicable standard for reconsideration. *See, e.g.*, *Clear Touch Interactive, Inc. v. Ockers Co.*, 171 F.4th 715, 728 (4th Cir. 2026) (A party seeking reconsideration must demonstrate (i) an intervening change in controlling law, (ii) newly discovered evidence, or (iii) clear error or manifest injustice.). Defendants have neither pleaded nor established the elements for reconsideration.

Dated: May 5, 2026

HAMILTON STEPHENS STEELE + MARTIN, PLLC

/s/ Robert A. Cox, Jr.
Glenn C. Thompson (Bar No. 37221)
Robert A. Cox, Jr. (Bar No. 21998)
525 North Tryon Street, Suite 1400
Charlotte, NC 28202
Telephone: (704) 344-1117
Facsimile: (704) 344-1483
Email: gthompson@lawhssm.com
rcox@lawhssm.com

Local Counsel to the Official Committee of Asbestos Personal Injury Claimants

WINSTON & STRAWN LLP
Carrie V. Hardman (admitted *pro hac vice*)
Cristina Calvar (admitted *pro hac vice*)
200 Park Avenue
New York, NY 10166
Telephone: (212) 294-6700
Fax: (212) 294-4700
Email: chardman@winston.com
ccalvar@winston.com

Special Litigation Counsel to the Official Committee of Asbestos Personal Injury Claimants

CAPLIN & DRYSDALE, CHARTERED
Kevin C. Maclay (admitted *pro hac vice*)
Todd E. Phillips (admitted *pro hac vice*)
Serafina Concannon (admitted *pro hac vice*)
1200 New Hampshire Ave. NW, 8th Floor
Washington, DC 20036
Telephone: (202) 862-5000
Facsimile: (202) 429-3301
Email: kmaclay@capdale.com
tphillips@capdale.com
sconcannon@capdale.com

Counsel to the Official Committee of Asbestos Personal Injury Claimants

ROBINSON & COLE LLP
Natalie D. Ramsey (admitted *pro hac vice*)
Davis Lee Wright (admitted *pro hac vice*)
1201 North Market Street, Suite 1406
Wilmington, DE 19801
Telephone: (302) 516-1700
Facsimile: (302) 516-1699
Email: nramsey@rc.com
dwright@rc.com

Counsel to the Official Committee of Asbestos Personal Injury Claimants