Case 22-00303 Doc 71 Filed 03/23/23 Fntered 03/23/23 17:05:18 Desc Main Docket #0071 Date Filed: 3/23/2023

#### UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

ARMSTRONG WORLD INDUSTRIES, INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST, et al.,	Miscellaneous Proceeding
Plaintiffs,	No. 22-303 (JCW)
v.	(Transferred from the District of Delaware)
ALDRICH PUMP LLC, et al.	
Defendants.	
In re:	Chapter 11
ALDRICH PUMP LLC. et al <sup>1</sup>	No. 20-30608 (JCW)

# DECLARATION OF BETH MOSKOW-SCHNOLL IN SUPPORT OF THIRD-PARTY ASBESTOS TRUSTS' OPPOSITION TO DEBTORS' MOTION FOR REHEARING CONCERNING THE ISSUE OF SAMPLING ON DCPF'S SUBPOENA-RELATED MOTIONS

I, Beth Moskow-Schnoll, declare:

Debtors.

- 1. I am a partner at the law firm of Ballard Spahr LLP. My office is located at 919 N. Market Street, 11<sup>th</sup> Floor, Wilmington, Delaware 19801. I am a member in good standing of the Bar of the State of Delaware. There are no disciplinary proceedings pending against me.
  - 2. I submit this declaration in connection with the Third-Party Asbestos Trusts'

<sup>&</sup>lt;sup>1</sup> 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.



Opposition to Debtors' Motion for Rehearing Concerning the Issue of Sampling on DCPF's Subpoena-Related Motions filed contemporaneously herewith. I have personal knowledge of the

- 3. Attached as **Exhibit A** is a true and correct copy of the December 19, 2022 email from Morgan R. Hirst re: In re Aldrich Pump LLC et al (Case No. 20-30608).
- 4. Attached as **Exhibit B** is a true and correct copy of the January 30, 2023 Email from Beth Moskow-Schnoll re: In re Aldrich Pump LLC et al (Case No. 20-30608).
- 5. Attached as **Exhibit C** is a true and correct copy of the February 10, 2023 email from Morgan R. Hirst re: In re Aldrich Pump LLC et al (Case No. 20-30608).

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: March 23, 2023

matters set forth herein.

Beth Moskow-Schnoll Ballard Spahr LLP 919 N. Market Street, 11<sup>th</sup> Floor Wilmington, DE 19801

Tel: (302) 252-4465

Email: moskowb@ballardspahr.com

But Mi-School

burnst@ballardspahr.com

Attorneys for Armstrong World Industries, Inc. Asbestos Personal Injury Settlement Trust; The Babcock & Wilcox Company Asbestos PI Trust; Celotex Asbestos Settlement Trust; DII Industries, LLC Asbestos PI Trust; Federal-Mogul Asbestos Personal Injury Trust; Flintkote Asbestos Trust; Owens Corning / Fibreboard Asbestos Personal Injury Trust; Pittsburgh Corning Corporation Asbestos Personal Injury Settlement Trust; United States Gypsum Asbestos Personal Injury Settlement Trust; and WRG Asbestos PI Trust

## **EXHIBIT A**

#### **Burns, Tyler (Del)**

From: Hirst, Morgan R. <mhirst@JonesDay.com>
Sent: Monday, December 19, 2022 5:48 PM

To: Moskow-Schnoll, Beth (Del); Burns, Tyler (Del); Guerke, Kevin A.;

dkhogan@dkhogan.com; bsullivan@sha-llc.com; eharron@ycst.com; Ramsey, Natalie D.; Wright, Davis L.; Kevin C. Maclay; Todd Phillips; Glenn C. Thompson; Robert A. Cox, Jr.;

Guy, Jonathan P.; Felder, Debra L.

Cc: Erens, Brad B.; Cahow, Caitlin K.; Michael Evert (CMEvert@ewhlaw.com); Clare M.

Maisano; C. Richard Rayburn, Jr.; Jack Miller

**Subject:** In re Aldrich Pump LLC et al (Case No. 20-30608) **Attachments:** Aldrich Murray Proposed Sampling Strata.pdf

#### **▲ EXTERNAL**

Counsel:

In response to Judge Whitley's November 30 sampling ruling in regard to the Debtors' subpoena served on DCPF, we wanted to begin a dialogue with you to see if we can agree to a sampling methodology. After discussing the issue with Bates White, we suggest that we confer on the structure of the sample first so that we can better ascertain where we differ, if at all.

As we understand Judge Whitley's ruling, the goal is to draw a representative random sample of ten percent of the Aldrich Pump and Murray Boiler ("<u>Aldrich Murray</u>") mesothelioma claims resolved through settlement or verdict between January 1, 2005 and Aldrich Murray's bankruptcy petition date of June 18, 2020 (the "<u>Aldrich Murray Random Sample</u>"). The purpose of the Aldrich Murray Random Sample is to govern the claims for which data is produced by DCPF in response to Aldrich's subpoena.

For the Aldrich Murray Random Sample to best aid in the estimation of Aldrich Murray's asbestos liability, reorganization plan formulation, and/or plan confirmation, the sampling methodology should be a straightforward application of stratified random sampling techniques. The stratification is important to ensure that events that could have a disproportionate impact on the analysis of the Debtors' settlement history, such as claims resolved through high-value settlement, are included in the sample in an efficient manner. Stratification increases the probability that low-frequency events are included, while properly weighting those events and keeping the total sample size similar to that ordered by Judge Whitley. This will allow the Aldrich Murray Random Sample to be a representative and efficient sample that can provide a reliable cross-section of Aldrich Murray's mesothelioma claims' settlement history.

In light of the above, the <u>first question</u> posed is whether you agree that the sample for this purpose should be a stratified random sample?

Assuming you are in agreement, the <u>second question</u> posed concerns the appropriate "categories" with which to stratify. We propose the following:

The data for the Aldrich Murray Random Sample are first restricted to the following population:

- Mesothelioma claims resolved through verdict or settlement (with a resolution amount greater than \$0)
- Resolved between January 1, 2005 and June 18, 2020

These data are then stratified using the following categories:

- Debtor
  - □ Aldrich
  - □ Murray
- Resolution type

#### Case 22-00303 Doc 71-1 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit A - Email from M. Hirst Page 3 of 4 Verdict □ Settlement

□ Prior to 2014

Resolution period

□ 2014 and later

Group deal status

☐ Group Deal (whether on or off-complaint)

**Individual Resolution** 

Resolution amount category:

 $\Box$  > \$0. < \$10.000

 $\square \geq \$10,000, < \$50,000$ 

 $\square \geq $50,000, < $100,000$ 

 $\square \geq \$100,000, < \$150,000$ 

 $\square \geq \$150,000, < \$200,000$ 

 $\square \geq \$200,000, < \$250,000$ 

 $\square \geq \$250,000, < \$500,00$ 

□ > \$500,000

Finally, to simplify the trusts' matching procedures to their internal databases, the DCPF sample would be limited to only include claimants who have a full SSN available.

For your further information, attached please find a spreadsheet outlining the approximate (based on current data) population of claims included in each of the suggested stratifications for the roughly 12,000 claimants about which information was requested from DCPF. Of course, because some claimants made claims against both Debtors, the total number of claims is greater than 12,000.

Please let us know at your earliest convenience if the above sample structure is acceptable to you. If so, we can then move to the next step of attempting to reach agreement on the selection of the sample within this construct.

Morgan R. Hirst Partner JONES DAY® - One Firm Worldwide™ 110 North Wacker Drive **Suite 4800** Chicago, Illinois 60606 Office +1.312.269.1535 Mobile +1.773.490.2039

mhirst@jonesday.com

\*\*\*This e-mail (including any attachments) may contain information that is private, confidential, or protected by attorney-client or other privilege. If you received this e-mail in error, please delete it from your system without copying it and notify sender by reply e-mail, so that our records can be corrected.\*\*\*

<sup>&</sup>lt;sup>1</sup> The original matching key sent to DCPF was already limited to a subset of claimants. While there are about 28,000 claimants with resolved mesothelioma claims in the Debtors' data, the original matching key was restricted to approximately 12,000 claimants—or about 40% of resolved mesothelioma claimants—by limiting to mesothelioma claims resolved through settlement or verdict, since 2005, and with a full SSN available. Therefore, a limitation to 10% of the 12,000 claimants originally sent to DCPF would actually correspond to a sample of only 4% of overall mesothelioma claimants.

-

The original matching key sent to DCPF was already limited to a subset of claimants. While there are about 28,000 claimants with resolved mesothelioma claims in the Debtors' data, the original matching key was restricted to approximately 12,000 claimants—or about 40% of resolved mesothelioma claimants—by limiting to mesothelioma claims resolved through settlement or verdict, since 2005, and with a full SSN available. Therefore, a limitation to 10% of the 12,000 claimants originally sent to DCPF would actually correspond to a sample of only 4% of overall mesothelioma claimants.

## EXHIBIT B

Case 22-00303 Doc 71-2 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit B - Email from B. Moskow-Schnoll Page 2 of 4

#### **Burns, Tyler (Del)**

From: Moskow-Schnoll, Beth (Del) <moskowb@ballardspahr.com>

**Sent:** Monday, January 30, 2023 12:12 PM

To: Guerke, Kevin A.; 'Hirst, Morgan R.'; Ramsey, Natalie D.; Guy, Jonathan P.

**Cc:** Burns, Tyler (Del); dkhogan@dkhogan.com; bsullivan@sha-llc.com; Harron, Edwin;

Wright, Davis L.; Kevin C. Maclay; Todd E. Phillips; Glenn C. Thompson; Robert A. Cox, Jr.; Felder, Debra L.; James Wehner; Enright, Michael; Erens, Brad B.; Cahow, Caitlin K.; Michael Evert (CMEvert@ewhlaw.com); Clare M. Maisano; C. Richard Rayburn, Jr.; Jack

Miller; Dikovics, Rachel; Bennett, Lynda A.; Andrew Anselmi; Zachary D. Wellbrock;

Timothy P. Duggan; Joseph H. Lemkin

**Subject:** RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### Morgan:

The DCPF Trusts also do not plan to make a counterproposal. However, we reserve all rights, including the right to review and comment on any proposal or agreement.

Thank you, Beth

**Beth Moskow-Schnoll** 

#### **Ballard Spahr**

919 N. Market Street 11th Floor Wilmington, DE 19801-3034 302.252.4447 DIRECT 1735 Market Street 51st Floor Philadelphia, PA 19103-7599 215.861.7360 DIRECT

302.252.4466 FAX

moskowb@ballardspahr.com

www.ballardspahr.com

From: Guerke, Kevin A. <KGuerke@ycst.com> Sent: Monday, January 30, 2023 8:56 AM

**To:** 'Hirst, Morgan R.' <mhirst@JonesDay.com>; Ramsey, Natalie D. <NRamsey@rc.com>; Guy, Jonathan P. <jguy@orrick.com>

**Cc:** Moskow-Schnoll, Beth (Del) <moskowb@ballardspahr.com>; Burns, Tyler (Del) <burnst@ballardspahr.com>; dkhogan@dkhogan.com; bsullivan@sha-llc.com; Harron, Edwin <eharron@ycst.com>; Wright, Davis L.

<DWright@rc.com>; Kevin C. Maclay <kmaclay@capdale.com>; Todd E. Phillips <tphillips@capdale.com>; Glenn C.

Thompson <gthompson@lawhssm.com>; Robert A. Cox, Jr. <RCox@lawhssm.com>; Felder, Debra L.

<dfelder@orrick.com>; James Wehner <jwehner@capdale.com>; Enright, Michael <MENRIGHT@RC.com>; Erens, Brad

Case 22-00303 Doc 71-2 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit B - Email from B. Moskow-Schnoll Page 3 of 4

B. <bberens@JonesDay.com>; Cahow, Caitlin K. <ccahow@Jonesday.com>; Michael Evert (CMEvert@ewhlaw.com) <CMEvert@ewhlaw.com>; Clare M. Maisano <cmmaisano@ewhlaw.com>; C. Richard Rayburn, Jr. <rrayburn@rcdlaw.net>; Jack Miller <jmiller@rcdlaw.net>; Dikovics, Rachel <rdikovics@lowenstein.com>; Bennett, Lynda A. <LBennett@lowenstein.com>; Andrew Anselmi <AAnselmi@acllp.com>; Zachary D. Wellbrock <zwellbrock@acllp.com>; Timothy P. Duggan <tduggan@stark-stark.com>; Joseph H. Lemkin <jlemkin@stark-stark.com> Subject: RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### **⚠ EXTERNAL**

Morgan,

DCPF does not plan to make a sampling counterproposal. It reserves all its rights and plans to review and comment on any proposal or agreement.

Thanks,

Kevin



#### Kevin A. Guerke, Partner

Young Conaway Stargatt & Taylor, LLP Rodney Square, 1000 North King Street Wilmington, DE 19801

P: 302.571.6616

KGuerke@ycst.com | www.youngconaway.com | vCard

This message may contain confidential attorney-client communications or other protected information. If you believe you are not an intended recipient (even if this message was sent to your e-mail address), you may not use, copy, or retransmit it. If you believe you received this message by mistake, please notify us by return e-mail, and then delete this message. Thank you for your cooperation.

From: Hirst, Morgan R. <mhirst@JonesDay.com>

**Sent:** Friday, January 27, 2023 1:55 PM

To: Ramsey, Natalie D. <NRamsey@rc.com>; Guy, Jonathan P. <jguy@orrick.com>

Cc: moskowschnollb@ballardspahr.com; Burns, Tyler <burnst@ballardspahr.com>; Guerke, Kevin A.

< <u>KGuerke@ycst.com</u>>; <u>dkhogan@dkhogan.com</u>; <u>bsullivan@sha-llc.com</u>; <u>Harron, Edwin < eharron@ycst.com</u>>; Wright,

 $Davis\ L. < \underline{DWright@rc.com} >;\ Kevin\ C.\ Maclay < \underline{kmaclay@capdale.com} >;\ Todd\ E.\ Phillips < \underline{tphillips@capdale.com} >;\ Glenn$ 

C. Thompson <a href="mailto:com/gthompson@lawhssm.com">com/gthompson@lawhssm.com</a>; Robert A. Cox, Jr. <a href="mailto:RCox@lawhssm.com">RCox@lawhssm.com</a>; Felder, Debra L.

<dfelder@orrick.com>; James Wehner < jwehner@capdale.com>; Enright, Michael < MENRIGHT@RC.com>; Erens, Brad

B. < berns@JonesDay.com >; Cahow, Caitlin K. < ccahow@Jonesday.com >; Michael Evert (CMEvert@ewhlaw.com)

<CMEvert@ewhlaw.com>; Clare M. Maisano <cmmaisano@ewhlaw.com>; C. Richard Rayburn, Jr.

<rrayburn@rcdlaw.net>; Jack Miller <imiller@rcdlaw.net>; Dikovics, Rachel <rdikovics@lowenstein.com>; Bennett,

Lynda A. <<u>LBennett@lowenstein.com</u>>; Andrew Anselmi <<u>AAnselmi@acllp.com</u>>; Zachary D. Wellbrock

<zwellbrock@acllp.com>; Timothy P. Duggan <tduggan@stark-stark.com>; Joseph H. Lemkin <jlemkin@stark-stark.com>

Subject: RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

All:

As some or all of you heard at yesterday's Aldrich omnibus hearing, yesterday the ACC sent a response to the Debtors' sampling proposal of December 19. We want to move quickly to review the proposal with our experts. Although, as you know, the Debtors believe the sample methodology selected should not be relevant to the DCPF/Verus/Trusts/Matching Claimants, various counsel for those parties were active on our last meet and confer and expressed positions regarding sampling methodologies. Obviously, we want to be able to simultaneously evaluate proposals, if any, of the DCPF/Verus/Trusts/Matching Claimants.

Case 22-00303 Doc 71-2 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit B - Email from B. Moskow-Schnoll Page 4 of 4

Do any or all of the DCPF/Verus/Trusts/Matching Claimants intend to proffer a counterproposal to the Debtors' sampling proposal of December 19 (which is copied at the bottom of these email)? Or are those parties content to accede to any agreement that may be reached on the issue between the Debtors and the ACC and FCR?

Please let us know. Thanks and have a nice weekend.

Morgan R. Hirst Partner

JONES DAY® - One Firm Worldwide™ 110 North Wacker Drive Suite 4800 Chicago, Illinois 60606 Office +1.312.269.1535 Mobile +1.773.490.2039 mhirst@jonesday.com

## EXHIBIT C

#### **Burns, Tyler (Del)**

From: Hirst, Morgan R. <mhirst@JonesDay.com>
Sent: Friday, February 10, 2023 11:33 AM

**To:** Guerke, Kevin A.; Ramsey, Natalie D.; Guy, Jonathan P.

Cc: Moskow-Schnoll, Beth (Del); Burns, Tyler (Del); dkhogan@dkhogan.com; bsullivan@sha-

Ilc.com; Harron, Edwin; Wright, Davis L.; Kevin C. Maclay; Todd E. Phillips; Glenn C. Thompson; Robert A. Cox, Jr.; Felder, Debra L.; James Wehner; Enright, Michael; Erens, Brad B.; Cahow, Caitlin K.; Michael Evert (CMEvert@ewhlaw.com); Clare M. Maisano; C. Richard Rayburn, Jr.; Jack Miller; Dikovics, Rachel; Bennett, Lynda A.; Andrew Anselmi;

Zachary D. Wellbrock; Timothy P. Duggan; Joseph H. Lemkin

**Subject:** RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### **▲ EXTERNAL**

Counsel:

Our negotiations with the ACC and FCR regarding sampling in the Aldrich/Murry bankruptcies are continuing. However, as the DCPF and Verus related parties have elected not to participate in those discussions, we wanted to make you aware of recent communication on the topic we have had with the ACC.

As we have made clear throughout, and as Mr. Evert told Judge Whitley multiple times during our last omnibus hearing on January 30, the Debtors disagree with the Court's oral ruling on November 30 ordering that the Debtors be limited to a ten percent sample on their subpoenas to DCPF and the associated trusts. After further discussion with our client, we are strongly considering seeking reconsideration of Judge Whitley's November 30 sampling ruling. We will make a decision one way or the other before our omnibus hearing next Tuesday. If we elect to seek reconsideration, we will so inform the Court at next Tuesday's omnibus hearing (which I should note is scheduled to begin at 1pm, not 9:30 as is our customary time) and file our motion in ample time to have it heard at the next omnibus hearing on March 30. For your information, the standing order in this bankruptcy provides that any such Motion would be due to be filed on March 9, with responses due on March 23. We will also ask the Court to order the parties to disclose by March 23 any witnesses they intend to have testify at the March 30 hearing to allow time for any necessary discovery.

In addition, to the extent Verus, its related trusts, and its related Matching Claimants seek to prosecute their Motions to Quash/Motions to Proceed Anonymously that have been transferred to Judge Whitley, we will ask the Court to set them for hearing for the same March 30 omnibus hearing. Those motions are fully briefed, but we will ask the Court to set a March 16 witness disclosure deadline to, again, allow time for any necessary discovery.

As noted, we have shared the above with the ACC and FCR (who are copied on this message) and wanted to keep you aware of the discussions. If you have questions, please let us know. Thanks, and have a good weekend.

Morgan R. Hirst
Partner

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#### Case 22-00303 Doc 71-3 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit C - Email from M. Hirst Page 3 of 10

From: Guerke, Kevin A. <KGuerke@ycst.com> Sent: Monday, January 30, 2023 7:56 AM

To: Hirst, Morgan R. <mhirst@JonesDay.com>; Ramsey, Natalie D. <NRamsey@rc.com>; Guy, Jonathan P.

<jguy@orrick.com>

Cc: moskowschnollb@ballardspahr.com; Burns, Tyler <burnst@ballardspahr.com>; dkhogan@dkhogan.com; bsullivan@sha-llc.com; Harron, Edwin <eharron@ycst.com>; Wright, Davis L. <DWright@rc.com>; Kevin C. Maclay <kmaclay@capdale.com>; Todd E. Phillips <tphillips@capdale.com>; Glenn C. Thompson <gthompson@lawhssm.com>; Robert A. Cox, Jr. <RCox@lawhssm.com>; Felder, Debra L. <dfelder@orrick.com>; James Wehner <jwehner@capdale.com>; Enright, Michael <MENRIGHT@RC.com>; Erens, Brad B. <bberens@JonesDay.com>; Cahow, Caitlin K. <ccahow@Jonesday.com>; Michael Evert (CMEvert@ewhlaw.com) <CMEvert@ewhlaw.com>; Clare M. Maisano <cmmaisano@ewhlaw.com>; C. Richard Rayburn, Jr. <rrayburn@rcdlaw.net>; Jack Miller <jmiller@rcdlaw.net>; Dikovics, Rachel <rdikovics@lowenstein.com>; Bennett, Lynda A. <LBennett@lowenstein.com>; Andrew Anselmi <AAnselmi@acllp.com>; Zachary D. Wellbrock <zwellbrock@acllp.com>; Timothy P. Duggan <tduggan@starkstark.com>; Joseph H. Lemkin < jlemkin@stark-stark.com>

**Subject:** RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### \*\* External mail \*\*

Morgan,

DCPF does not plan to make a sampling counterproposal. It reserves all its rights and plans to review and comment on any proposal or agreement.

Thanks,

Kevin



#### Kevin A. Guerke, Partner

Young Conaway Stargatt & Taylor, LLP Rodney Square, 1000 North King Street Wilmington, DE 19801

P: 302.571.6616

KGuerke@ycst.com | www.youngconaway.com | vCard

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From: Hirst, Morgan R. <mhirst@JonesDay.com>

Sent: Friday, January 27, 2023 1:55 PM

To: Ramsey, Natalie D. < NRamsey@rc.com >; Guy, Jonathan P. < jguy@orrick.com >

Cc: moskowschnollb@ballardspahr.com; Burns, Tyler <burnst@ballardspahr.com>; Guerke, Kevin A.

<KGuerke@ycst.com>; dkhogan@dkhogan.com; bsullivan@sha-llc.com; Harron, Edwin <eharron@ycst.com>; Wright, Davis L. < <u>DWright@rc.com</u>>; Kevin C. Maclay < <u>kmaclay@capdale.com</u>>; Todd E. Phillips < <u>tphillips@capdale.com</u>>; Glenn

C. Thompson <a href="mailto:com/structure">gthompson@lawhssm.com/structure</a>; Robert A. Cox, Jr. <a href="mailto:RCox@lawhssm.com/structure">RCox@lawhssm.com/structure</a>; Felder, Debra L.

<dfelder@orrick.com>; James Wehner <jwehner@capdale.com>; Enright, Michael <MENRIGHT@RC.com>; Erens, Brad

B. <bberens@JonesDay.com>; Cahow, Caitlin K. <ccahow@Jonesday.com>; Michael Evert (CMEvert@ewhlaw.com)

<CMEvert@ewhlaw.com>; Clare M. Maisano <cmmaisano@ewhlaw.com>; C. Richard Rayburn, Jr.

<rrayburn@rcdlaw.net>; Jack Miller <jmiller@rcdlaw.net>; Dikovics, Rachel <rdikovics@lowenstein.com>; Bennett,

Lynda A. <<u>LBennett@lowenstein.com</u>>; Andrew Anselmi <<u>AAnselmi@acllp.com</u>>; Zachary D. Wellbrock

<zwellbrock@acllp.com>; Timothy P. Duggan <tduggan@stark-stark.com>; Joseph H. Lemkin <jlemkin@stark-stark.com>

Subject: RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

All:

As some or all of you heard at yesterday's Aldrich omnibus hearing, yesterday the ACC sent a response to the Debtors' sampling proposal of December 19. We want to move quickly to review the proposal with our experts. Although, as you know, the Debtors believe the sample methodology selected should not be relevant to the DCPF/Verus/Trusts/Matching Claimants, various counsel for those parties were active on our last meet and confer and expressed positions regarding sampling methodologies. Obviously, we want to be able to simultaneously evaluate proposals, if any, of the DCPF/Verus/Trusts/Matching Claimants.

Do any or all of the DCPF/Verus/Trusts/Matching Claimants intend to proffer a counterproposal to the Debtors' sampling proposal of December 19 (which is copied at the bottom of these email)? Or are those parties content to accede to any agreement that may be reached on the issue between the Debtors and the ACC and FCR?

Please let us know. Thanks and have a nice weekend.

Morgan R. Hirst Partner

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110 North Wacker Drive Suite 4800 Chicago, Illinois 60606 Office +1.312.269.1535 Mobile +1.773.490.2039 mhirst@jonesday.com

From: Hirst, Morgan R.

Sent: Thursday, January 5, 2023 11:43 AM

To: 'Ramsey, Natalie D.' < NRamsey@rc.com>; Guy, Jonathan P. < jguy@orrick.com>

**Cc:** moskowschnollb@ballardspahr.com; Burns, Tyler < burnst@ballardspahr.com >; Guerke, Kevin A.

<<u>KGuerke@ycst.com</u>>; <u>dkhogan@dkhogan.com</u>; <u>bsullivan@sha-llc.com</u>; Edwin J. Harron <<u>eharron@ycst.com</u>>; Wright, Davis L. <<u>DWright@rc.com</u>>; Kevin C. Maclay <<u>kmaclay@capdale.com</u>>; Todd E. Phillips@capdale.com>; Glenn

C. Thompson <a href="mailto:com/gthompson@lawhssm.com">com/gthompson@lawhssm.com</a>; Robert A. Cox, Jr. <a href="mailto:RCox@lawhssm.com">RCox@lawhssm.com</a>; Felder, Debra L.

<<u>dfelder@orrick.com</u>>; James Wehner <<u>iwehner@capdale.com</u>>; Enright, Michael <<u>MENRIGHT@RC.com</u>>; Erens, Brad

B. <br/>
bberens@jonesday.com>; Cahow, Caitlin K. <ccahow@jonesday.com>; Michael Evert (<a href="mailto:CMEvert@ewhlaw.com">CMEvert@ewhlaw.com</a>)

<CMEvert@ewhlaw.com>; Clare M. Maisano <cmmaisano@ewhlaw.com>; C. Richard Rayburn, Jr.

<rrayburn@rcdlaw.net>; Jack Miller <jmiller@rcdlaw.net>

Subject: RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### Natalie:

To your first question- if you could send the meeting invite that would be great. If you have questions you can send in advance, we might be better prepared and be more productive. Either way, look forward to talking next week. Thanks.

Morgan R. Hirst Partner

JONES DAY® - One Firm Worldwide<sup>s™</sup>

110 North Wacker Drive Suite 4800 Chicago, Illinois 60606 Office +1.312.269.1535 Case 22-00303 Doc 71-3 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit C - Email from M. Hirst Page 5 of 10

Mobile +1.773.490.2039 mhirst@jonesday.com

From: Ramsey, Natalie D. <<u>NRamsey@rc.com</u>>
Sent: Thursday, January 5, 2023 11:42 AM
To: Guy, Jonathan P. <<u>iguy@orrick.com</u>>

Cc: Hirst, Morgan R. <<u>mhirst@JonesDay.com</u>>; <u>moskowschnollb@ballardspahr.com</u>; Burns, Tyler <<u>burnst@ballardspahr.com</u>>; Guerke, Kevin A. <<u>KGuerke@ycst.com</u>>; <u>dkhogan@dkhogan.com</u>; <u>bsullivan@sha-llc.com</u>; Edwin J. Harron <<u>eharron@ycst.com</u>>; Wright, Davis L. <<u>DWright@rc.com</u>>; Kevin C. Maclay <<u>kmaclay@capdale.com</u>>; Todd E. Phillips <<u>tphillips@capdale.com</u>>; Glenn C. Thompson <<u>gthompson@lawhssm.com</u>>; Robert A. Cox, Jr. <<u>RCox@lawhssm.com</u>>; Felder, Debra L. <<u>dfelder@orrick.com</u>>; James Wehner <<u>jwehner@capdale.com</u>>; Enright, Michael <<u>MENRIGHT@RC.com</u>>; Erens, Brad B. <<u>bberens@JonesDay.com</u>>; Cahow, Caitlin K. <<u>ccahow@Jonesday.com</u>>; Michael Evert (<u>CMEvert@ewhlaw.com</u>) <<u>CMEvert@ewhlaw.com</u>>; Clare M. Maisano <<u>cmmaisano@ewhlaw.com</u>>; C. Richard Rayburn, Jr. <<u>rrayburn@rcdlaw.net</u>>; Jack Miller <<u>jmiller@rcdlaw.net</u>>

Subject: Re: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### \*\* External mail \*\*

Speaking for the Committee, we are not yet at a place where we can discuss or evaluate the proposal. We have a number of questions regarding what is intended. As a first step, we think a counsel call would be helpful.

Sent from my iPhone

On Jan 5, 2023, at 11:36 AM, Guy, Jonathan P. < jguy@orrick.com> wrote:

Morgan and Natalie Is this counsel only? I believe it would be helpful for the experts to attend. They are the ones that must agree in the end. Thanks

Sent from my iPhone

On Jan 5, 2023, at 11:17 AM, Ramsey, Natalie D. < NRamsey@rc.com > wrote:

#### This message originated from outside your organization

Morgan – let's go with the time on the 12<sup>th</sup>. Do you want us to circulate an invitation or would you prefer to do so?

From: Hirst, Morgan R. < <a href="mailto:mhirst@JonesDay.com">mhirst@JonesDay.com</a>>

Sent: Thursday, January 5, 2023 10:23 AM

To: Ramsey, Natalie D. <NRamsey@rc.com>; moskowschnollb@ballardspahr.com; 'Burns, Tyler' <burnst@ballardspahr.com>; Guerke, Kevin A. <KGuerke@ycst.com>; dkhogan@dkhogan.com; bsullivan@sha-llc.com; Edwin J. Harron <eharron@ycst.com>; Wright, Davis L. <burnst@ballardspahr.com>; Kevin C. Maclay <kmaclay@capdale.com>; Todd E. Phillips <tphillips@capdale.com>; Glenn C. Thompson <gthompson@lawhssm.com>; Robert A. Cox, Jr. <RCox@lawhssm.com>; Guy, Jonathan P. <jguy@orrick.com>; Felder, Debra L. <dfelder@orrick.com>; James Wehner <jwehner@capdale.com>; Enright, Michael <MENRIGHT@RC.com>

**Cc:** Brad B. Erens < <a href="mailto:bberens@jonesday.com">bberens@jonesday.com</a>>; Cahow, Caitlin K. < <a href="mailto:ccahow@Jonesday.com">ccahow@Jonesday.com</a>>; Michael Evert (<a href="mailto:CMEvert@ewhlaw.com">CMEvert@ewhlaw.com</a>)

Case 22-00303 Doc 71-3 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit C - Email from M. Hirst Page 6 of 10

<<u>CMEvert@ewhlaw.com</u>>; Clare M. Maisano <<u>cmmaisano@ewhlaw.com</u>>; C. Richard

**Subject:** RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

CAUTION: EXTERNAL EMAIL

Hi Natalie:

Happy New Year to you. Be happy to do a meeting on this.

Of the times you mention, the best ones would be either Wednesday 1/11 at 5-6 Eastern or Thursday 1/12 at 10-11 eastern. Let us know if one of those works. Given the DCPF parties are copied on this and I know wanted to be part of any discussion, I presume those times work for them as well.

Thanks much.

Morgan R. Hirst Partner

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From: Ramsey, Natalie D. <<u>NRamsey@rc.com</u>> Sent: Wednesday, January 4, 2023 1:13 PM

To: Hirst, Morgan R. <<u>mhirst@JonesDay.com</u>>; <u>moskowschnollb@ballardspahr.com</u>; 'Burns, Tyler' <<u>burnst@ballardspahr.com</u>>; Guerke, Kevin A. <<u>KGuerke@ycst.com</u>>; <u>dkhogan@dkhogan.com</u>; <u>bsullivan@sha-llc.com</u>; Edwin J. Harron <<u>eharron@ycst.com</u>>; Wright, Davis L. <<u>DWright@rc.com</u>>; Kevin C. Maclay <<u>kmaclay@capdale.com</u>>; Todd E. Phillips <<u>tphillips@capdale.com</u>>; Glenn C. Thompson <<u>gthompson@lawhssm.com</u>>; Robert A. Cox, Jr. <<u>RCox@lawhssm.com</u>>; Guy, Jonathan P. <<u>jguy@orrick.com</u>>; Felder, Debra L. <<u>dfelder@orrick.com</u>>; James Wehner <<u>jwehner@capdale.com</u>>; Enright, Michael <<u>MENRIGHT@RC.com</u>>

**Cc:** Erens, Brad B. < <u>bberens@JonesDay.com</u>>; Cahow, Caitlin K.

<ccahow@Jonesday.com>; Michael Evert (CMEvert@ewhlaw.com)

<<u>CMEvert@ewhlaw.com</u>>; Clare M. Maisano <<u>cmmaisano@ewhlaw.com</u>>; C. Richard

Rayburn, Jr. < <a href="mailto:rrayburn@rcdlaw.net">rcdlaw.net</a>>; Jack Miller < <a href="mailto:jmiller@rcdlaw.net">jmiller@rcdlaw.net</a>>

**Subject:** RE: In re Aldrich Pump LLC et al (Case No. 20-30608)

#### \*\* External mail \*\*

Morgan,

Would you be available on Wednesday, the 11<sup>th</sup>, between 4-6pm ET or Thursday, the 12<sup>th</sup>, between 9:30-11am ET or 3-4pm ET for a meet and confer regarding the proposed sampling strata and protocol?

Thank you, Natalie

From: Hirst, Morgan R. < <a href="mailto:mhirst@JonesDay.com">mhirst@JonesDay.com</a>>
Sent: Monday, December 19, 2022 5:48 PM

To: moskowschnollb@ballardspahr.com; 'Burns, Tyler' <burnst@ballardspahr.com>; Guerke, Kevin A. <<br/>
KGuerke@ycst.com>; dkhogan@dkhogan.com; bsullivan@shallc.com; Edwin J. Harron <<br/>
eharron@ycst.com>; Ramsey, Natalie D. <<br/>
NRamsey@rc.com>; Wright, Davis L. <<br/>
DWright@rc.com>; Kevin C. Maclay <br/>
kmaclay@capdale.com>; Todd E. Phillips <<br/>
tphillips@capdale.com>; Glenn C. Thompson <<br/>
gthompson@lawhssm.com>; Robert A. Cox, Jr. <<br/>
Robert A. Cox, Jr. <<br/>
RCox@lawhssm.com>; Guy, Jonathan P. <<br/>
jguy@orrick.com>; Felder,

Debra L. < dfelder@orrick.com >

**Cc:** Brad B. Erens < <u>bberens@jonesday.com</u>>; Cahow, Caitlin K.

<ccahow@Jonesday.com>; Michael Evert (CMEvert@ewhlaw.com)

<<u>CMEvert@ewhlaw.com</u>>; Clare M. Maisano <<u>cmmaisano@ewhlaw.com</u>>; C. Richard

Rayburn, Jr. <<u>rrayburn@rcdlaw.net</u>>; Jack Miller <<u>imiller@rcdlaw.net</u>>

Subject: In re Aldrich Pump LLC et al (Case No. 20-30608)

CAUTION: EXTERNAL EMAIL

#### Counsel:

In response to Judge Whitley's November 30 sampling ruling in regard to the Debtors' subpoena served on DCPF, we wanted to begin a dialogue with you to see if we can agree to a sampling methodology. After discussing the issue with Bates White, we suggest that we confer on the structure of the sample first so that we can better ascertain where we differ, if at all.

As we understand Judge Whitley's ruling, the goal is to draw a representative random sample of ten percent of the Aldrich Pump and Murray Boiler ("Aldrich Murray") mesothelioma claims resolved through settlement or verdict between January 1, 2005 and Aldrich Murray's bankruptcy petition date of June 18, 2020 (the "Aldrich Murray Random Sample"). The purpose of the Aldrich Murray Random Sample is to govern the claims for which data is produced by DCPF in response to Aldrich's subpoena.

For the Aldrich Murray Random Sample to best aid in the estimation of Aldrich Murray's asbestos liability, reorganization plan formulation, and/or plan confirmation, the sampling methodology should be a straightforward application of stratified random sampling techniques. The stratification is important to ensure that events that could have a disproportionate impact on the analysis of the Debtors' settlement history, such as claims resolved through high-value settlement, are included in the sample in an efficient manner. Stratification increases the probability that low-frequency events are included, while properly weighting those events and keeping the total sample size similar to that ordered by Judge Whitley. This will allow the Aldrich Murray Random Sample to be a representative and efficient sample that can provide a reliable cross-section of Aldrich Murray's mesothelioma claims' settlement history.

In light of the above, the <u>first question</u> posed is whether you agree that the sample for this purpose should be a stratified random sample?

Assuming you are in agreement, the <u>second question</u> posed concerns the appropriate "categories" with which to stratify. We propose the following:

### Case 22-00303 Doc 71-3 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit C - Email from M. Hirst Page 8 of 10

The data for the Aldrich Murray Random Sample are first restricted to the following population:

- 1. Mesothelioma claims resolved through verdict or settlement (with a resolution amount greater than \$0)
- 2. Resolved between January 1, 2005 and June 18, 2020

These data are then stratified using the following categories:

- 3. Debtor
  - 1. Aldrich
  - 2. Murray
- 4. Resolution type
  - 1. Verdict
  - 2. Settlement
- 5. Resolution period
  - 1. Prior to 2014
  - 2. 2014 and later
- 6. Group deal status
  - 1. Group Deal (whether on or off-complaint)
  - 2. Individual Resolution
- 7. Resolution amount category:
  - 1. > \$0, < \$10,000
  - $2. \geq \$10,000, < \$50,000$
  - $3. \geq $50,000, < $100,000$
  - $4. \geq \$100,000, < \$150,000$
  - $5. \geq \$150,000, < \$200,000$
  - 6.  $\geq$  \$200,000,  $\leq$  \$250,000
  - 7.  $\geq$  \$250,000, < \$500,00
  - 8.  $\geq$  \$500,000

Finally, to simplify the trusts' matching procedures to their internal databases, the DCPF sample would be limited to only include claimants who have a full SSN available.

For your further information, attached please find a spreadsheet outlining the approximate (based on current data) population of claims included in each of the suggested stratifications for the roughly 12,000 claimants about which information was requested from DCPF. Of course, because some claimants made claims against both Debtors, the total number of claims is greater than 12,000.

Please let us know at your earliest convenience if the above sample structure is acceptable to you. If so, we can then move to the next step of attempting to reach agreement on the selection of the sample within this construct.

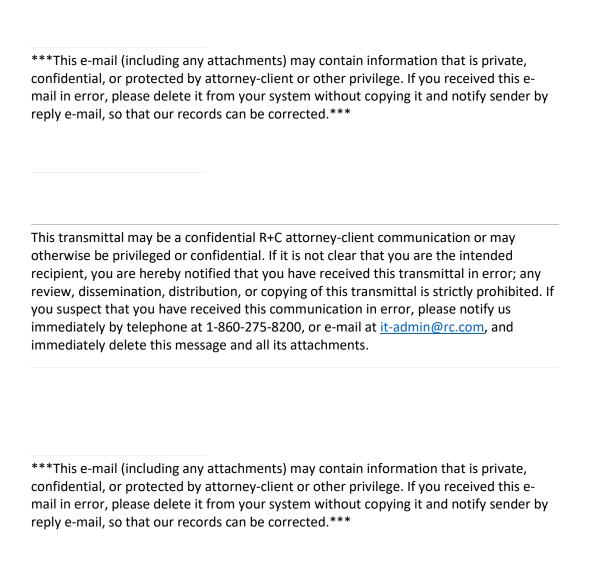
Morgan R. Hirst Partner

<sup>&</sup>lt;sup>1</sup> The original matching key sent to DCPF was already limited to a subset of claimants. While there are about 28,000 claimants with resolved mesothelioma claims in the Debtors' data, the original matching key was restricted to approximately 12,000 claimants—or about 40% of resolved mesothelioma claimants—by limiting to mesothelioma claims resolved through settlement or verdict, since 2005, and with a full SSN available. Therefore, a limitation to 10% of the 12,000 claimants originally sent to DCPF would actually correspond to a sample of only 4% of overall mesothelioma claimants.

Case 22-00303 Doc 71-3 Filed 03/23/23 Entered 03/23/23 17:05:18 Desc Exhibit C - Email from M. Hirst Page 9 of 10

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by attorney-client or other privilege. I	If you received this e-mail in error, please delete it from your system by reply e-mail, so that our records can be corrected.***

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The original matching key sent to DCPF was already limited to a subset of claimants. While there are about 28,000 claimants with resolved mesothelioma claims in the Debtors' data, the original matching key was restricted to approximately 12,000 claimants—or about 40% of resolved mesothelioma claimants—by limiting to mesothelioma claims resolved through settlement or verdict, since 2005, and with a full SSN available. Therefore, a limitation to 10% of the 12,000 claimants originally sent to DCPF would actually correspond to a sample of only 4% of overall mesothelioma claimants.