

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

In re: :
: :
: Chapter 11
ALDRICH PUMP LLC, :
MURRAY BOILER LLC, : Case No. 20-30608 (JCW)
: :
Debtors. :

**EXHIBITS TO ROBERT SEMIAN AND ALL MRHFM’S CLAIMANTS’ MOTION
TO REQUIRE THE DEBTORS AND TRANE TO MAKE IRREVOCABLE,
UNEQUIVOCAL, AND UNCONDITIONAL ADMISSIONS ABOUT THE
ENFORCIBILITY OF THE FUNDING AGREEMENTS**

[Dkt. No. 2172]

Respectfully Submitted,

**WALDREP WALL BABCOCK &
BAILEY PLLC**

/s/ Thomas W. Waldrep, Jr.

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203060824041700000000006

Exhibit 1

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

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PROPOSED ATTORNEYS FOR DEBTOR

In re:

LTL MANAGEMENT LLC,¹

Debtor.

Chapter 11

Case No.: 23-12825 (MBK)

Judge: Michael B. Kaplan

**DECLARATION OF JOHN K. KIM
IN SUPPORT OF FIRST DAY PLEADINGS**

John K. Kim, being first duly sworn, deposes and states as follows:

1. I am the Chief Legal Officer of LTL Management LLC, a North Carolina limited liability company (the “Debtor”) and the debtor in the above-captioned chapter 11 case. I have held this position with the Debtor since its formation on October 12, 2021.

¹ The last four digits of the Debtor’s taxpayer identification number are 6622. The Debtor’s address is 501 George Street, New Brunswick, New Jersey 08933.

limited liability company and then merged into a New Jersey corporation that was its direct parent (as well as the direct parent of the Debtor), whereupon this entity changed its name to Johnson & Johnson Consumer Inc. (“New JJCI”). In the 2021 Corporate Restructuring, the Debtor was allocated certain of Old JJCI’s assets and became solely responsible for the talc-related liabilities of Old JJCI, and New JJCI was allocated all other assets of Old JJCI and became solely responsible for all other liabilities of Old JJCI.

25. Old JJCI implemented the 2021 Corporate Restructuring to facilitate a chapter 11 filing by the Debtor that would permit the Debtor to fully resolve current and future talc-related claims through a plan of reorganization without subjecting the entire Old JJCI enterprise to a bankruptcy proceeding. As I will discuss in more detail below, the Debtor in fact filed for chapter 11 relief in the Western District of North Carolina on October 14, 2021, two days after the completion of the 2021 Corporate Restructuring.

B. New JJCI/Holdco

26. New JJCI operated its business following the 2021 Corporate Restructuring. This included the manufacture and sale of a broad range of products used in the baby care, beauty, oral care, wound care and women’s health care fields, as well as over-the-counter pharmaceutical products (collectively, the “Consumer Business”). In December 2022, New JJCI changed its name to Johnson & Johnson Holdco (NA) Inc., a New Jersey Corporation (“Holdco”), and in early January 2023, Holdco transferred its Consumer Business assets to its parent entity.

27. Holdco is the direct parent of the Debtor, and the Debtor is the direct parent of Royalty A&M LLC (“Royalty A&M”), a North Carolina limited liability company. Holdco is a holding company with ownership interests in various subsidiaries. The most substantial of Holdco’s ownership interests are held through its wholly owned subsidiary Apsis

SAS (France) (“Apsis”). Apsis owns (through its wholly owned subsidiary Johnson & Johnson Holding GmbH (Germany)) a 36.1% ownership interest in GH Biotech Holdings Limited (Ireland) (“GH Biotech”). GH Biotech holds ownership interests, either directly or through wholly owned subsidiaries, in four entities, Janssen Sciences Ireland Unlimited Company, Janssen Irish Finance Unlimited Company, C Consumer Products Denmark ApS, and Impulse Dynamics (71% interest). Apsis also owns, either directly or indirectly, interests in various limited risk distributors (which distribute J&J products in foreign countries), a German-based subsidiary that manufactures 3D-printed titanium interbody implants for spinal fusion surgery, and various other subsidiaries. A chart depicting the Debtor’s corporate structure is attached hereto as Annex B.

28. As of the date of this declaration, Holdco has access to approximately \$400 million in cash through J&J’s cash management system.

C. The Debtor

29. The Debtor was formed to manage and defend thousands of talc-related claims and to oversee the operations of its subsidiary, Royalty A&M. Royalty A&M owns a portfolio of royalty revenue streams, including royalty revenue streams based on third-party sales of CLOROX®, ECOLAB®, ESSITY®, LACTAID®, MYLANTA® / MYLICON®, ROGAINE®, SPARTAN® and TENA® products. It reviews royalty monetization opportunities in the healthcare industry and seeks to grow its business by financing and/or reinvesting the income from the existing royalty revenue streams into both the acquisition of additional external royalty revenue streams as well as financings to third parties secured by similar royalty streams. In June 2022, Royalty A&M entered into a royalty purchase agreement whereby it acquired rights to certain royalty streams from a third-party.

Exhibit 2

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

IN RE:	.	Case No. 21-30589 (MBK)
LTL MANAGEMENT LLC,	.	
	.	
Debtor.	.	
.	
LTL MANAGEMENT, LLC,	.	Adversary No. 21-03032 (MBK)
	.	
Plaintiff,	.	
	.	Clarkson S. Fisher U.S.
v.	.	Courthouse
	.	402 East State Street
THOSE PARTIES LISTED ON	.	Trenton, NJ 08608
APPENDIX A TO THE	.	
COMPLAINT, ET AL.,	.	
	.	Friday, February 18, 2022
Defendants.	.	9:01 a.m.
.	

TRANSCRIPT OF TRIAL DAY FIVE
BEFORE THE HONORABLE MICHAEL B. KAPLAN
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

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Proceedings recorded by electronic sound recording, transcript produced by transcription service.

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LLC

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For Aylstock, Witkin,
Kreiss & Overholtz,
PLLC:

Klee, Tuchin, Bogdanoff & Stern, LLP
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Los Angeles, CA 90067

* * * * *

1 The first is funding in the tort system. And as you
2 would expect, what that funding says is that the payors are
3 obligated to pay the liabilities to the extent they're
4 established by a judgement or a settlement in the tort system.
5 That's what you would expect and that's what happens. You want
6 funds available to pay settlements, to pay judgments in the
7 tort system. So it makes very clear this is what we're talking
8 about if there's no proceeding in bankruptcy. Whether there
9 was no case filed or whether the case is filed or dismissed,
10 the money's available for that purpose.

11 And you can imagine, Your Honor, by the way, the hue
12 and cry you would have heard if this provision weren't in there
13 because they would have said that we've manipulated the whole
14 system because you filed bankruptcy and now you're going to
15 tell the Court you can't dismiss our case because there's no
16 money available if we go back in the tort system.

17 So this is there to protect the claimants. It's
18 there to assure this isn't treated or consider a fraudulent
19 conveyance. The idea was and the intent was the claimants are
20 covered either way in bankruptcy or outside.

21 Now where the criticism I think has been focused is
22 on this provision. And this talks about how the funding is
23 used if a bankruptcy case is commenced. And what it talks
24 about is if the payors are obligated to pay the liabilities in
25 connection with the funding of one or more trusts for the

Exhibit 3

UNITED STATES COURT OF APPEALS
FOR THE THIRD CIRCUIT

IN RE: . Case No. 22-2003/22-2004

LTL MANAGEMENT LLC, .
Debtor, . 21400 U.S. Courthouse
601 Market Street
Philadelphia, PA 19106

OFFICIAL COMMITTEE OF TALC .
CLAIMANTS, . Monday, September 19, 2022
Appellant. .

.
IN RE . Case No. 22-2005

LTL MANAGEMENT LLC, .
Debtor. .

LTL MANAGEMENT, LLC. .

v. .

THOSE PARTIES LISTED ON .
APPENDIX A TO COMPLAINT AND .
JOHN AND JANE DOES 1-1000 .
OFFICIAL COMMITTEE OF TALC .
CLAIMANTS, .
Appellant. .

.
IN RE: . Case No. 22-2006/22-2007

LTL MANAGEMENT LLC, .
Debtor. .

OFFICIAL COMMITTEE OF TALC .
CLAIMANTS, ET AL. .
Appellants. .

.
IN RE: . Case No. 22-2008

LTL MANAGEMENT LLC, .
Debtor. .

LTL MANAGEMENT LLC .

v. .

THIRD PARTIES LISTED ON .
APPENDIX A TO COMPLAINT AND .
JOHN AND JANE DOES 1-1000, .
OFFICIAL COMMITTEE OF TALC .
CLAIMANTS, ET AL. .

OFFICIAL COMMITTEE OF TALC .
CLAIMANTS, ET AL. .
Appellants. .

IN RE: . Case No. 22-2009

LTL MANAGEMENT LLC, .
Debtor. .

ARNOLD & ITKIN LLP, ON BEHALF .
OF CERTAIN PERSONAL INJURY .
CLAIMANTS REPRESENTED BY .
ARNOLD & ITKIN, .
Appellant. .

IN RE: . Case No. 22-2010

LTL MANAGEMENT LLC, .
Debtor. .

AYLSTOCK WITKIN KRIES & .
OVERHOLTZ PLLC, ON BEHALF OF .
MORE THAN THREE THOUSAND .
HOLDERS OF TALC CLAIMS, .
Appellant. .

IN RE: . Case No. 22-2011

LTL MANAGEMENT LLC, .
Debtor. .

LTL MANAGEMENT LLC .

v. .

THOSE PARTIES LISTED ON .
APPENDIX A TO COMPLAINT AND .
JOHN AND JANE DOES 1-1000 .

AYLSTOCK WITKIN KRIES & .
OVERHOLTZ, PLLC., ON BEHALF OF .
MORE THAN THREE THOUSAND .
HOLDERS OF TALC CLAIMS, .
Appellant .

.

TRANSCRIPT OF ORAL ARGUMENT
BEFORE
THE HONORABLE JUDGE THOMAS L. AMBRO
UNITED STATES THIRD CIRCUIT JUDGE
THE HONORABLE L. FELIPE RESTREPO
UNITED STATES THIRD CIRCUIT JUDGE
THE HONORABLE JULIO M. FUENTES
UNITED STATES THIRD CIRCUIT JUDGE

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For U.S. Trustee: U.S. Department of Justice
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I N D E X

ORAL ARGUMENT

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BY MR. FREDERICK	46
BY MR. KATYAL	58

REBUTTAL ARGUMENT

BY MR. LAMKEN	
BY MR. JANDA	
BY MR. FREDERICK	

1 And our first point to you is the one main reason why
2 he's isolating is because you want claimants to get paid. But
3 this funding agreement gives the entire value of JJCI, the
4 entire value, \$61 billion free and clear to the potential
5 claimants so that entire pot of money is available.

6 Now my friend says maybe JJCI will squander the
7 assets and that's why you need bankruptcy court jurisdiction,
8 maybe they'll transfer it to equity.

9 The funding agreement, this is quite important to our
10 argument, the funding agreement itself bars that or if it
11 occurred if there were any payment to J&J or to shareholders or
12 anything like that, distributions, all of that increases the
13 \$61-billion pot; \$61 billion is only a floor, not a ceiling.

14 I'd like to walk you through the language of the
15 funding agreement so that you -- so that it's clear why my
16 friend's argument is wrong.

17 So the funding agreement says that you would take the
18 greater of either, one, the fair market value of Old JJCI
19 immediately prior to the divisional merger. That amount is
20 \$61.56 billion, that's Appendix Page 7422. Or it says it's the
21 fair market value on the date that LTL and the new JJCI refused
22 to pay under the funding agreement. That's at Appendix Page
23 4316 and 4619.

24 Here's the most important point about 4619. If a
25 hypothetical that my friend says happens and it materializes

1 MR. KATYAL: And if that's what they're isolating, we
2 think Judge Kaplan found four different reasons why that -- why
3 the valid purpose of bankruptcy has been served.

4 THE COURT: One just fact question, in terms of the
5 proposal made here to deal with the liabilities of LTL and the
6 funding, were those types of proposals, any variation of that
7 made in connection with the MDL litigation?

8 MR. KATYAL: I don't believe the funding agreement
9 had anything to do with the MDL litigation. Rather, as the
10 Court found in --

11 THE COURT: Yeah, I'm just saying the concept.

12 MR. KATYAL: Yeah, I don't know about the concept. I
13 mean I think the only thing I'm aware of is the Court's finding
14 in A-13 (phonetic) relying on their own expert that this was a
15 single integrated transaction and so -- with the restructuring
16 and funding agreement.

17 Now you had asked before, Your Honor, I just have to
18 slightly correct something. I understand that the funding
19 agreement does have provisions for funding outside of
20 bankruptcy.

21 THE COURT: Yeah, that's what I thought.

22 MR. KATYAL: Yes. So I apologize for that. But our
23 --

24 THE COURT: What are the opt-outs that are being
25 considered?

Exhibit 4

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY

IN RE: . Case No. 23-12825 (MBK)
. .
LTL MANAGEMENT LLC, .
. . U.S. Courthouse
Debtor. . 402 East State Street
. . Trenton, NJ 08608
.

LTL MANAGEMENT LLC, . Adv. No. 23-01092 (MBK)
. .
Plaintiff, .

v. .

THOSE PARTIES LISTED ON .
APPENDIX A TO COMPLAINT AND .
JOHN AND JANE DOES 1-1000, .
. .
Defendants. . Tuesday, April 18, 2023
. 10:00 a.m.

TRANSCRIPT OF HEARING ON
MEMORANDUM OF LAW IN SUPPORT OF MOTION BY MOVANT ANTHONY
HERNANDEZ VALADEZ FOR AN ORDER (I) GRANTING RELIEF FROM THE
AUTOMATIC STAY, SECOND AMENDED EX PARTE TEMPORARY RESTRAINING
ORDER, AND ANTICIPATED PRELIMINARY INJUNCTION, AND (II) WAIVING
THE FOURTEEN-DAY STAY UNDER FEDERAL RULE OF BANKRUPTCY
PROCEDURE 4001(a)(3) [DOCKET 71]; AND DEBTOR'S MOTION FOR AN
ORDER (I) DECLARING THAT THE AUTOMATIC STAY APPLIES OR EXTENDS
TO CERTAIN ACTIONS AGAINST NON DEBTORS OR (II) PRELIMINARILY
ENJOINING SUCH ACTIONS AND (III) GRANTING A TEMPORARY
RESTRAINING ORDER EX PARTE PENDING A HEARING ON A PRELIMINARY
INJUNCTION [ADVERSARY DOCKET 2]; AND MOTION TO SEAL; AND
SERVICE PROCEDURES MOTION

**BEFORE THE HONORABLE MICHAEL B. KAPLAN
UNITED STATES BANKRUPTCY COURT JUDGE**

Audio Operator: Kiya Martin

Proceedings recorded by electronic sound recording, transcript
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Kim - Cross/Jonas

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1 state, and I'll quote, the design of the 2021 corporate
2 restructuring insures that the debtor has at least the same, if
3 not greater, ability to fund talc-related claims that -- and
4 other liabilities as old JJCI had before the restructuring.
5 You said that in your first declaration, right?

6 A I did.

7 Q And the first funding agreement, I may call it funding
8 agreement one versus funding agreement two, the first funding
9 agreement was available to LTL, the debtor here, both in and
10 outside of bankruptcy, correct?

11 A Based upon the facts and law that we knew at the time,
12 yes.

13 Q That's a yes?

14 A At that time, yes.

15 Q Under the funding agreement one, there was total value of
16 around, let me -- I think you said around \$60 billion available
17 to LTL, correct?

18 A At the time of the filing, there was.

19 Q Today, under funding agreement two, the total value
20 available to LTL is tens of billions of dollars less than under
21 funding agreement one, correct?

22 A That's assuming that funding agreement one was still
23 enforceable and not void or voidable. If the Third Circuit had
24 not rendered the opinion the way it had, then that would be
25 true.

Exhibit 5

1 UNITED STATES BANKRUPTCY COURT
2 WESTERN DISTRICT OF NORTH CAROLINA
3 CHARLOTTE DIVISION

4 Chapter 11
5 Case No. 20-30608 (JCW)

6 -----x

7

In re

8

ALDRICH PUMP LLC, et al.,

9

Debtors.

10

11

-----x

12

July 6, 2023

10:01 a.m.

13

14

15

Videotaped Deposition of ALLAN

16

TANANBAUM, pursuant to Notice, held at the

17

offices of Jones Day, 250 Vesey Street, New

18

York, New York, before Todd DeSimone, a

19

Registered Professional Reporter and Notary

20

Public of the State of New York.

21

22

23

24

25

Page 30

1 possibly have contained amphiboles, but
2 that would have been very limited.
3 Q. And what is the source of your
4 information for that?
5 A. Again, I defended the Trane
6 asbestos claims from 2005 through -- midway
7 through 2011, and that's part of the
8 knowledge that you have to have to defend
9 those cases when they come up. And so I'm
10 sure that I reviewed records, I'm sure that
11 through discussions with counsel about what
12 our records showed and what our witnesses
13 had testified to, I became aware of all
14 that.
15 Q. Did you review any internal
16 manuals regarding asbestos-containing
17 products used by the debtors?
18 A. Not in connection with the
19 preparation of this declaration, but I may
20 have reviewed some manuals years ago as
21 part of the defense of the litigation.
22 Q. The next sentence in paragraph
23 12 states "Part of Debtors' proof in the
24 underlying tort cases would be that the
25 chrysotile asbestos in the gaskets and

Page 31

1 packing in the Debtors' equipment was
2 encapsulated such that the asbestos fibers
3 would not be released into the air under
4 normal conditions."
5 Do you see that?
6 A. I do.
7 Q. What do you mean by "normal
8 conditions"?
9 A. Normal operating conditions of
10 the equipment in an industrial setting,
11 whether they be pumps or other products,
12 normal operational conditions as opposed to
13 extraordinary repair or remediation
14 circumstances.
15 Q. Okay. And asbestos fibers
16 could be released in cases of remediation
17 and repair?
18 MR. EVERT: I'm sorry, I object
19 to the form of the question.
20 A. My understanding is that
21 potentially limited numbers of fibers could
22 be released if, for instance, a pump needed
23 to be repaired and a gasket that had been
24 in place between two pieces of metal for an
25 extended period of time, maybe 15, 20

Page 32

1 years, needed to be scraped off and
2 replaced with a new gasket. That's the
3 type of situation I'm referring to.
4 Q. And could asbestos fibers be
5 released in circumstances other than what
6 you've just described?
7 MR. EVERT: I object to the
8 form of the question. Don't speculate.
9 A. I don't believe so. When
10 you've got an insulation material wedged
11 between two pieces of metal that are
12 meeting together, not only is the asbestos
13 encapsulated within the gasket, but the
14 gasket itself is not open in the
15 environment, it is sealed between two
16 pieces of metal, and you could have the
17 same situation with packing material on a
18 rotation, on a rotational device.
19 Q. Did you observe the
20 asbestos-containing products being used
21 under normal or abnormal conditions?
22 A. Of course not, no.
23 Q. Are you familiar with any tests
24 or studies of asbestos exposures resulting
25 from the products being used under normal

Page 33

1 or abnormal conditions?
2 A. I'm aware that tests have been
3 conducted over a period of years. Again,
4 having reread the Garlock opinion on
5 estimation recently, there is an extended
6 review of various experts and some of the
7 tests that they have run over time.
8 Q. Was the fact that, as you say,
9 the asbestos was encapsulated, was that a
10 defense available to the debtors in the
11 tort system?
12 MR. EVERT: I object to the
13 form of the question.
14 A. I don't know if I would
15 characterize that as a complete defense,
16 but it certainly would be a component of
17 the defense or a potential component of the
18 defense. A lot depends on who the claimant
19 is, what his industrial role was, if he was
20 simply in the environment of a pump. I
21 think that would feed into, an operational
22 pump, I think that would feed into a
23 defense. But if he was a repairman who
24 scraped gaskets for a living, that might be
25 a completely different kettle of fish. So

Page 74

1 through trial and appeal can cost half a
 2 million dollars or more, often exceeding \$1
 3 million."
 4 Do you see where I'm reading?
 5 A. I do.
 6 Q. What is the basis for that
 7 statement?
 8 A. You know, my extended track
 9 record of managing in-house litigation from
 10 2001 through the current date. You know, I
 11 have been involved in many cases that have
 12 prepped for trial, gone midway through
 13 trial, gone all the way through trial, and
 14 when you've got a complex products
 15 liability case those could easily be the
 16 costs.
 17 Now, obviously my statement in
 18 the declaration has a big swing, half a
 19 million dollars to a million dollars, that
 20 is a big swing. But much depends on what's
 21 the jurisdiction you are in with regard to
 22 asbestos, how many other defendants are
 23 going to trial, how many days a week does
 24 the judge sit I think is another situation.
 25 But when you have to put your

Page 75

1 show on the road, bring in high-paid
 2 experts to some local jurisdiction, bring
 3 in your counsel team to a local
 4 jurisdiction, put them up in hotels, set up
 5 makeshift offices, make pretrial
 6 dispositive motions and argue those, and
 7 then once you are through verdict, handling
 8 appeals, there is no way you are going to
 9 try a complex trial for less than several
 10 hundred thousand dollars, and we can
 11 quibble about whether it is 4, or 6, or 8,
 12 or a million, and I would argue that it
 13 depends on the specifics of the case in
 14 front of you. But either way that's a lot
 15 of money and that's way more money than we
 16 spent on the defense of these actions.
 17 Here is the way I look at it:
 18 **We spent approximately 100 million in the**
 19 **five to ten years, annually, in the five to**
 20 **ten years prior to the bankruptcy filing,**
 21 **and I think about 25 million of that was in**
 22 **legal fees.** The way I look at it is if you
 23 want to take that \$75 million indemnity and
 24 shrink it down, you have to -- you have to
 25 up the defense costs, and so could you up

Page 76

1 the -- let's say you wanted to shrink the
 2 \$75 million indemnity down to 20 or 30, how
 3 many defense dollars would you have to put
 4 in, even assuming you are going to win all
 5 of those cases at trial, which is probably
 6 a slightly over-optimistic assumption given
 7 the vagaries of what a jury might do, but
 8 how many defense dollars would you have to
 9 add into the kitty? I would argue way more
 10 dollars than the benefit and the reduction
 11 in indemnity. I think you can't do it for
 12 less than hundreds of millions of dollars.
 13 **So, you know, whether it would**
 14 **have cost us \$2 billion to try all the**
 15 **cases, \$1 billion to try all the cases,**
 16 **\$800 million, I will even go down to 500**
 17 **million, 500 million is a bad deal. We**
 18 **were doing the whole thing for 100 million.**
 19 And so to me we can quibble
 20 about whether I'm right or I'm wrong on
 21 these estimations, but I would argue that's
 22 not the point. The point isn't whether I'm
 23 right, the point is what was in our
 24 mindset, what was our mindset when we
 25 approached our litigation strategy? And

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1 that was what was in our mindset and it was
 2 based on, among other things, my extensive
 3 experience managing litigation and looking
 4 at the costs.
 5 **One thing I think about looking**
 6 **around the room today is all the billing**
 7 **that is going on just today for my little**
 8 **deposition, and there are more lawyers on**
 9 **the phone as well. So litigation is just a**
 10 **very expensive thing to undertake.**
 11 So I have droned on too long.
 12 Q. When you say a single complex
 13 products liability case, you are referring
 14 to non-asbestos cases as well, correct?
 15 A. Yeah, that's true. I can -- I
 16 have been involved in them at the company.
 17 There were cases, just to give you an
 18 example, that Ingersoll-Rand used to have
 19 when it owned Club Car, the golf cart
 20 company, terrible cases of rollovers where
 21 people sustained horrific injuries. Some
 22 of those cases were incredibly complex in
 23 terms of the expert testimony and the
 24 engineering that had to be delved into.
 25 Those cases were incredibly expensive to

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1 a possibility to bring it in for more, and
 2 I believe there is a possibility to bring
 3 it in for roughly the same amount. That's
 4 probably not a very satisfying answer to
 5 you, but that's my opinion.
 6 Q. No, I appreciate that. Inside
 7 or outside of bankruptcy, can Murray and
 8 Aldrich pay all current and future asbestos
 9 claimants in full?
 10 A. Well, to the extent that I
 11 understand your question, I believe they
 12 would need to resort to the funding
 13 agreements and receive cash from their
 14 affiliates. So in the case of Aldrich,
 15 that would be Trane Technologies Company
 16 LLC and in the case of Murray it would be
 17 New Trane U.S. Inc. I think that's pretty
 18 inevitable that absent resorting to those
 19 funding agreements, I don't see how the
 20 entities as they are currently constituted
 21 could satisfy all of the long-term
 22 liabilities. I think that's pretty clear.
 23 Q. With access to the funding
 24 agreements, are either Aldrich or Murray in
 25 financial distress?

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1 MR. EVERT: I object to the
 2 form of the question.
 3 A. The best I could probably do,
 4 and I thought about this because I thought
 5 this question might come up at some point
 6 today, the best I could probably do is kind
 7 of refer you to the briefs that we filed in
 8 connection with this motion, and I say that
 9 not to weasel out of your question, but I
 10 think, as I recall, our argument is a
 11 little bit kind of nuanced.
 12 I think in the first instance
 13 we're asking the judge not to even decide
 14 if the company is in financial distress,
 15 because it's not a legal requirement. And
 16 then in the second instance, I think we are
 17 arguing that the company is in legal
 18 distress.
 19 What I would tell you is that
 20 from my perspective, financial distress in
 21 this context is a bankruptcy-related legal
 22 concept and, you know, I rely on our
 23 outside team of lawyers to be the mavens on
 24 that. I certainly support what we filed.
 25 But I think it is a term of art, and what I

Page 136

1 would tell you is that ultimately spending
 2 100 million a year, you know, where I come
 3 from, that's real money, so to me that's a
 4 certain level of distress, and I think I
 5 would refer you to our briefs as to how
 6 that jibes under the Bankruptcy Code.
 7 Q. And I think based on what you
 8 said before, each year approximately the
 9 debtors were spending about \$100 million a
 10 year for asbestos liabilities?
 11 A. Yeah, certainly in the five to
 12 ten years prior to the filing. I can't
 13 swear sitting here right now that in every
 14 year prior to that it was the case, but
 15 yes, around 100 million, give or take.
 16 Q. And about 75 million of that
 17 was going to the plaintiffs and 25 million
 18 or so was in defense costs; is that right?
 19 A. Yes, approximately those
 20 amounts are correct.
 21 Q. Under the funding agreements,
 22 Murray and Aldrich, if the case were
 23 dismissed, would they be able to manage the
 24 asbestos liabilities in the tort system for
 25 approximately \$100 million a year?

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1 A. That's an open question. I
 2 don't know. I would -- in the case of a
 3 dismissal, which I'm hoping is not in the
 4 offings, would we be able to carry on as we
 5 did before? I don't know. I am hopeful
 6 that we could bring the liability back
 7 around that size, but to be perfectly
 8 candid, I don't know if there is going to
 9 be some sort of short or medium-term
 10 penalty that the plaintiffs' bar seeks to
 11 extract for our having filed the
 12 bankruptcy, so I don't know.
 13 Q. Well, what do you mean by a
 14 penalty?
 15 A. You know, I don't know. I
 16 could see -- I could see the plaintiffs'
 17 bar being more aggressive, forcing us to
 18 trial more than we might want to. I just
 19 don't know. It is a great question. I
 20 have thought about it peripherally, but I
 21 haven't really focused on it because I'm
 22 intent on seeing the case through and
 23 getting us to a trust. So in all candor, I
 24 don't know the answer to the question. I
 25 would hope so. I would hope we could bring

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1 Trane and New Trane Technologies?
 2 MR. EVERT: I object to the
 3 form of the question. You are not here
 4 on behalf of the debtors.
 5 Q. I think you can answer, sir, in
 6 your own capacity, I believe.
 7 A. You know, I haven't really
 8 thought that through, so I don't have an
 9 opinion on that at the moment. Again, I
 10 could tell you we have no current intention
 11 of ever violating those agreements.
 12 Whether agreements are voidable or not, I
 13 don't know, I haven't studied that, but
 14 certainly wouldn't just outright -- I can't
 15 imagine we would just outright violate the
 16 agreements.
 17 Q. Well, I guess from the debtors'
 18 perspective, I mean, you're the chief legal
 19 officer of Aldrich and Murray; is that
 20 right?
 21 A. That's correct.
 22 Q. And you would enforce the
 23 funding agreement regardless of whether or
 24 not Judge Whitley or the Fourth Circuit
 25 dismisses this case, right?

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1 MR. EVERT: I object to the
 2 form of the question.
 3 A. I don't know what we would do
 4 at the moment. I haven't given that a lot
 5 of thought.
 6 Q. Are the funding agreements
 7 between Aldrich and New Trane Technologies
 8 and between Murray and New Trane, are they
 9 enforceable outside of bankruptcy if
 10 there's not a bankruptcy pending?
 11 MR. EVERT: I object to the
 12 form of the question.
 13 A. I testified to this during the
 14 PI hearing, during deposition, and that
 15 transcript should control, in case my
 16 recollection is faulty now, but my
 17 understanding is that if there is no
 18 bankruptcy that those funding agreements
 19 would support the funding of the entities
 20 in the tort system, yes.
 21 Q. Okay. I appreciate that. I'm
 22 not trying to trip you up on that.
 23 A. No, it has -- it has just been
 24 a while since I studied up on them, and I
 25 know I was asked extensively on that in the

Page 160

1 past, but that's my present recollection.
 2 Obviously I have access to all of that
 3 information and I could go back and
 4 confirm.
 5 Q. But sitting here today, as the
 6 chief legal officer of both debtors in this
 7 case, you can't commit that you are going
 8 to enforce the funding agreements if this
 9 case is dismissed?
 10 MR. EVERT: I object to the
 11 form of the question.
 12 A. Well, you raised the LTL 2
 13 filing and you raised this issue that came
 14 up about voidability and all the rest, and
 15 I haven't studied that issue as to whether
 16 it would even -- what the merits of the
 17 argument are, whether they could
 18 potentially apply to us, and since we don't
 19 intend to have the case dismissed, that's
 20 not, thankfully, something I have dwelled
 21 on.
 22 So I don't mean to evade -- I
 23 don't mean to avoid answering your
 24 question, but I do want to be careful. I
 25 suppose if the case were dismissed we would

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1 have to take a long, hard look at
 2 everything, and make our -- make some
 3 decisions.
 4 Q. And you are saying -- when you
 5 are using "we" there, you are referring to
 6 the debtors; is that right?
 7 A. That's correct. I can only
 8 speak for -- well, I can speak for myself
 9 at this deposition, but I can only act in
 10 connection with the debtors.
 11 Q. Understood. And the debtors'
 12 primary assets are the funding agreements
 13 they have with New Trane and New Trane
 14 Technologies; is that right?
 15 A. Yeah. I mean, the subsidiaries
 16 they hold contain valuable assets too, but
 17 there is no doubt that the funding
 18 agreement is probably the primary asset for
 19 purposes of this bankruptcy.
 20 Q. And putting aside dismissal, if
 21 for some reason New Trane or New Trane
 22 Technologies were to refuse to honor the
 23 funding agreements, the debtors would push
 24 to have those enforced; would they not?
 25 MR. EVERT: I object to the

Page 166

1 that Murray or Aldrich cannot pay future
 2 claims five years from now?
 3 MR. EVERT: I object to the
 4 form of the question.
 5 A. Could you repeat the question?
 6 I just want to make sure I'm --
 7 Q. Assuming the funding agreements
 8 are in force, is there any concern that
 9 Murray or Aldrich cannot pay future claims
 10 in the tort system five years from now?
 11 A. So the question hypothecates
 12 that we are going back to the tort system,
 13 and so if I enter into your hypothetical,
 14 no, I can't envision a scenario in which
 15 the funders would be unable to fund the
 16 debtors, the dismissed debtors, if you
 17 will, under your hypothetical where we go
 18 back to the tort system. I think -- I
 19 think they've got good ability to make that
 20 funding.
 21 Q. Future claimants could recover
 22 in the tort system five years from now,
 23 right?
 24 A. I imagine within five years you
 25 would be running off largely a lot of

Page 167

1 current claimants. But to the extent you
 2 get future claimants sucked into that
 3 five-year window, I have no doubt that the
 4 company could make good on its commitments
 5 through the funding agreement.
 6 Q. And assuming that Aldrich and
 7 Murray enforce the funding agreements and
 8 that New Trane and New Trane Technologies
 9 honor the funding agreements, sitting here
 10 today there is no concern that future
 11 claimants could not be paid in the tort
 12 system ten years from now; is that right?
 13 MR. EVERT: I object to the
 14 form of the question.
 15 A. I guess I'm going to agree with
 16 you, but with the proviso that those future
 17 claimants would be subject to the vagaries
 18 of the tort system, right? There would be
 19 disparate results in arguably similar cases
 20 depending on where the claims were filed,
 21 for a variety of reasons that you and I
 22 discussed a few minutes ago.
 23 Q. Understood.
 24 A. So I think there would be lots
 25 of consistency, but could the claims be

Page 168

1 satisfied? I believe they could.
 2 Q. Understood. And I think you
 3 were asked this -- I'm almost done, sir, I
 4 think I've got ten minutes left, so if you
 5 are okay to keep going through.
 6 A. Sounds good.
 7 Q. To your knowledge, while Old
 8 Ingersoll-Rand and Old Trane were
 9 litigating in the tort system, are you
 10 aware of an instance where either one of
 11 them filed a third-party complaint against
 12 one of the asbestos trusts to bring them in
 13 as a defendant in one of those cases?
 14 A. I'm not aware, yeah, I'm not
 15 aware that that happened, no.
 16 Q. Are you aware of any instance
 17 where Old Trane or Old Ingersoll-Rand
 18 sought contribution from one of the
 19 asbestos trusts?
 20 A. I'm not aware of that
 21 happening, no.
 22 Q. You know, sir, I represent
 23 Robert Simeon, and he has a case filed in
 24 Pennsylvania. Are you aware of how
 25 Pennsylvania apportions liability between

Page 169

1 trusts that compensate people and solvent
 2 defendants?
 3 A. No, I'm not.
 4 Q. I may have less than ten
 5 minutes as I'm going through my notes here.
 6 A. No worries.
 7 Q. Will the defendants -- I'm
 8 sorry, defendants -- will the debtors ever
 9 accept a plan of reorganization whereby
 10 current or future claimants can opt out and
 11 go to the tort system?
 12 MR. EVERT: I object to the
 13 form of the question. He is not here
 14 for the debtors.
 15 A. Yeah, I don't know -- I don't
 16 know the answer to that question sitting
 17 here now. I will add, though, that I'm
 18 aware in several prior trusts that there is
 19 an opt-out option, and so I'm aware that
 20 that's something that has occurred in the
 21 past.
 22 Q. And so the declaration that was
 23 prepared in this case, you reviewed it
 24 obviously and everything in there is
 25 correct and you stand behind it, right?

Exhibit 6

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Transcription of File:
American Bankruptcy Annual Spring Meeting
Texas Two Step

Runtime: 01:02:02

1 hope that what we have is a conversation. 02:52

2 I grew up with this statute as a practitioner, 02:56

3 and I hope that you will take advantage of the panel 03:00

4 that we have here this morning and ask questions. 03:02

5 Remember, the only bad question is one that you don't 03:05

6 ask. In terms of connections, you know, there are no 03:09

7 Texas Two Step cases in Texas, and we can -- we can 03:14

8 certainly talk about that as well. 03:16

9 MS. TSIOURIS: Thank you. Greg? 03:18

10 MR. GORDON: I am Greg Gordon, a partner with 03:20

11 Jones Day. I am a long-time bankruptcy and 03:26

12 restructuring lawyer probably longer than I would like 03:31

13 to think about. 03:32

14 But I'm involved in I think probably all the 03:38

15 divisional merger cases that are pending at the 03:40

16 moment starting with the Bestwall Chapter 11 Case, 03:46

17 an affiliate of Georgia Pacific that we filed in 03:48

18 November of 2017 through to the LTL case that we 03:53

19 filed in October of last year. That's the affiliate 03:58

20 of J&J as you probably know. 03:59

21 And I, of course, think the divisional merger 04:02

22 is the greatest innovation in the history of 04:04

23 bankruptcy, and we'll talk about that more today. 04:07

24 MS. TSIOURIS: Thank you, Greg. So, and -- and 04:10

25 I'm Natasha Tsiouris. I'm a partner in the 04:13

1 the same time, they didn't want to be criticized for 18:50
2 having harmed the claimants in any way. 18:53

3 So, in all of these cases including J&J, the 18:56
4 divisional merger was done in a way where the 18:58
5 liability was allocated to the entity that filed. So, 19:02
6 in the J&J case, it was the talc liability. There 19:06
7 were operating assets put into that entity although 19:09
8 they were put into a subsidiary. 19:11

9 But the most important thing is, and it's often 19:13
10 overlooked in the press, is that there was a 19:16
11 funding agreement that was put in place between the 19:19
12 entities that it split. It's a little more 19:21
13 complicated than this. I'm simplifying. But the 19:24
14 entity that received the the larger segment of 19:27
15 the assets agreed to provide funding unlimited, you 19:30
16 you know, basically, capped only by its ability to 19:33
17 pay to back stop -- back stop the obligation of the 19:37
18 entity that filed to pay the claims. 19:39

19 And the idea was, and these companies all felt 19:41
20 the same way, was we don't even want to have an 19:45
21 argument. We -- we would like to avoid an argument 19:47
22 that there was any kind of fraudulent transfer here. 19:48
23 So, we're not interested in putting a cap on the 19:54
24 funding agreement. We're not interested on just 19:55
25 allocating certain assets and putting all the other 19:57

1 ones there and not having a funding agreement. We'd 20:00
2 like to do it in a way where we can say to the 20:02
3 claimants and say to court, look, the same assets 20:05
4 that were available before the Chapter 11 to support 20:09
5 the payment of these claims are available post the 20:12
6 Chapter 11. 20:13

7 JUDGE JONES: How -- how has that worked out for 20:14
8 you so far? 20:15

9 MR. GORDON: That's not worked out too well. 20:15
10 That's not worked out too well. 20:18

11 JUDGE JONES: I do have a question. So, when 20:20
12 you're making -- when you're making that decision as 20:22
13 to the allocation, why it is important that the 20:25
14 company that has the perspective tort liability also 2 0:30
15 have operating assets? Why wouldn't you just -- why 20:33
16 wouldn't you just dump a bunch of cash in there and 20:36
17 say there you go? 20:38

18 MR. GORDON: Well, from our -- you know, we've 20:39
19 always felt -- you know, we've tried to look forward 20:40
20 into these cases and think through what do you need 20:45
21 to have? What position do you need to be in order to 20:47
22 ultimately confirm a plan? And it's been our view 20:50
23 for a long time that you have to have an operation. 20:52
24 You -- you need to have something to reorganize at 20:55
25 the end of the day. 20:56

1 ultimate result of that? And again, I think you 28:20
2 come back to, I mean, all of these are unrelated, 28:22
3 you know. What does that funding agreement really 28:24
4 say? 28:25

5 You know, in Jones' mind that's not the scary 28:29
6 lawsuit that if this really is a negotiation where 28:31
7 you get people at the table. But that's -- that's 28:33
8 just my view. 28:34

9 MR. GORDON: Yeah, and I -- and I would just say 28:36
10 that when we've seen these fraudulent conveyance 28:40
11 allegations be made or even when there have been some 28:44
12 lawsuits filed, typically when you read the 28:47
13 complaints or you hear the allegations, the -- the 28:49
14 way they get there is they just ignore the funding 28:52
15 agreement. It's as if it doesn't exist. 28:54

16 And so, they -- they -- they -- there's a bunch of 28:57
17 pejorative terms that are typically used, but one we 29:00
18 often hear is that, you know, bad co and a good co. 29:04

19 And they just talk about how the bad co has been 29:05
20 left with very limited assets and, you know, all the 29:09
21 good assets were sent to the other entity. But with 29:12
22 absolutely no discussion, no disclosure about the 29:16
23 funding agreement. And from our perspective, the 29:18
24 funding agreement's key and it's so important that in 29:21
25 our cases in our first day declarations, we've 29:25

1 never going to enforce the funding agreement. So, 30:22
2 that -- that's the problem. You have the funding 30:24
3 agreement but the claimants are now a step removed. 30:27
4 The debtor isn't going to enforce it. 30:28
5 And -- and my reaction to that is that's kind of 30:30
6 an insult to the bankruptcy judge. So, we're -- 30:33
7 we're There in the bankruptcy court. We're a debtor 30:36
8 in possession. We're a fiduciary. We elect not -- 30:39
9 the other side breaches, we elect not to enforce? 30:40
10 Is the bankruptcy judge gonna let us get away with 30:42
11 that? You -- 30:44
12 JUDGE JONES: So, let me -- let me -- 30:45
13 MR. GORDON: What would you do? 30:46
14 JUDGE JONES: I try all sorts of things, but 30:47
15 that's certainly (inaudible). So, -- so, could I ask 30:50
16 you the finding agreement. Executed pre-petition? 30:53
17 Post-petition? 30:54
18 GORDON: Pre-petition. 30:55
19 JUDGE JONES: What do you view that agreement 30:57
20 is? Is it an executory contract that must be assumed? 31:00
21 MR. GORDON: Ah. 31:00
22 JUDGE JONES: Is it something else? What's -- 31:01
23 what -- what does all that mean? 31:04
24 MR. GORDON: That's a very complicated issue 31:05
25 which -- 31:07

1 JUDGE JONES: I have lots of time. 31:10

2 MR. GORDON: Yes, but this audience doesn't have 31:12

3 lots of time. I'm -- I'm not gonna answer that 31:15

4 question. 31:16

5 JUDGE JONES: Is there a United States Marshall 31:18

6 in the room? 31:20

7 MR. GORDON: So -- 31:22

8 MS. KIELSON: Is there -- is there any 31:24

9 negotiation in the funding agreement? I assume that 31:27

10 with any of the plaintiff's bar or -- 31:31

11 MR. GORDON: Well, you know, that -- again, that 31:32

12 -- that's an argument we hear all the time. This is 31:34

13 an agreement. It wasn't negotiated. It's between 31:37

14 affiliates. And we don't deny that. I mean, it's 31:40

15 not like affiliates negotiate with each other in 31:44

16 that sense. 31:45

17 To me, the question is is it a -- is it 31:47

18 a fair agreement? It is beneficial to the estate or 31:50

19 not? That's all open. I mean, we're -- you know, 31:54

20 we're there. We've tried to be open in all these 31:56

21 cases. We are here. We are disclosing everything. 31:59

22 This is what we've done. We described in detail 32:02

23 every step of these transactions. We turned over all 32:05

24 the documents for these transactions, and we said 32:08

25 it's -- it's completely open and, you know, we'll 32:11

1 claims. 43:46

2 In -- in addition, it's kind of undisputed by 43:49

3 everyone I think that the tort system doesn't work 4 3:52

4 for mass tort claims. It just doesn't work. And 4 3:56

5 the J&J case again is a -- is a great example. J&J 44:00

6 has been able to -- to litigate only 10 cases per 44:05

7 year. So, think about that. You have 40,000 pending 44:08

8 cases. You can do the math. What's that, 4,000 44:12

9 years? I mean, it's just -- it's just not the answer. 44:16

10 And, there's been other attempts to try to 44:19

11 figure out ways to overcome the tort system. You 4 4:22

12 may -- well, I can remember because I've been around 44:24

13 for a while, but there are efforts to do it by class 44:27

14 action settlements, and those were ultimately rejected 44:31

15 by the Supreme Court. Supreme Court said you can't 44:33

16 do it this way. 44:34

17 And, you know, Congress has recognized in the past 44:37

18 that the -- the tort system doesn't work for mass 4 4:40

19 torts. And companies like the situation with J&J, 4 4:44

20 unless you're just willing to put yourself in a 44:47

21 position where you have a completely untenable 44:51

22 situation, unmanageable litigation, bankruptcy is 44:55

23 really the only option. And if you really want to 44:58

24 get a permanent resolution of the liability that 45:01

25 allows you to deal with all current claims and all 45:03

1 Is that helpful at all? 55:49

2 MALE SPEAKER: Yeah. Thank you. 55:51

3 JUDGE JONES: Okay. 55:51

4 MS. TSIOURIS: I saw a second hand. Yeah? 55:52

5 MALE SPEAKER: I'm still confused, I guess. If 55:56

6 all of these assets remain available, I'm having a 56:02

7 hard time understanding the purpose of the additional 56:05

8 transaction and why you just don't put the entire 56:08

9 entity into bankruptcy and then propose the same 56:12

10 sort of mass tort resolution scheme as part of the 5 6:16

11 class both present and future. What's the purpose of 56:20

12 the divisional transaction if everything is still 56:22

13 available? 56:22

14 MR. GORDON: Well, the -- the purpose is that 56:26

15 you avoid having the entire company and all it's 56:30

16 other stakeholders subjected to a bankruptcy filing. 56:33

17 So, imagine with a Georgia Pacific or a -- this 56:37

18 Johnson and Johnson and subsidiary, how much more 56:41

19 complex and difficult the bankruptcy case would be. 56:46

20 I mean, you'd have all other manner of stakeholders 56:50

21 you would have to deal with, much larger company 56:55

22 subjected to, you know, all the -- the obligations 56:59

23 of a bankruptcy filing. Far more complicated, and 57:02

24 for -- from my perspective for no real -- for no real 57:05

25 purpose. 57:06

CERTIFICATE

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I, Wendy Letner, Transcriptionist, do hereby certify that I was authorized to and did listen to and transcribe the foregoing recorded proceedings and that the transcript is a true record to the best of my professional ability.

Dated this 25th day of May, 2022.



Wendy Letner

Exhibit 7

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1 the, the focus of all this was to resolve controlling legal
2 issues expeditiously and try to make some coherence out of all
3 the many things a bankruptcy judge can be known to say. So all
4 of that, I think, understands it.

5 I agree, also, with Judge Beyer that these are,
6 effectively, disjunctive, but mandatory tests. All you have to
7 do is meet one of the four standards under 158 and that
8 requires me to certify. In this case, the one that I do not
9 think is applicable is that there are conflicting decisions
10 within the courts of the Fourth Circuit. Y'all may all agree
11 to that, but I'm not sure that I do. The -- and we'll take
12 them in, in order.

13 But before I get to all that, ~~I don't think these are,~~
14 ~~are routine cases in any form, fashion.~~ You can just look at
15 the professional fees and start from there. You can talk about
16 the public attention not just in the press, but in Congress.
17 These are -- these are -- these raise some very fundamental
18 questions about what bankruptcy is about and who is it for and
19 who can use the tools of bankruptcy. And so I think they're
20 anything but routine.

21 I understand that, that the Fourth Circuit early in
22 the Bestwall case declined to authorize a direct appeal. They
23 may do so again here today, but I believe the standards are met
24 and that it, frankly, to the extent they're exercising their
25 dissection, I would encourage them to take these for the reason

1 bad faith of the filing by the debtors at the time and I took
2 the position, well, that's a Carolin motion, but 1112 applies
3 to what the debtor has done while in the case. That's all I
4 was saying.

5 So that comes down -- maybe there's not a, a
6 controlling decision there. I'm not sure y'all are at odds
7 over that question, but the bottom line is that I don't think
8 there's a, a disagreement on that, at least among the parties,
9 and from my vantage point, we don't have that issue here.
10 That's why I don't know that there's a disagreement between the
11 parties. I'm jumping elements right now, but there's also, I
12 don't think, a controlling decision on whether a non-distressed
13 debtor should be dismissed for a finding of cause under 1112.
14 I thought that, effectively, was a repeat of the Carolin
15 argument, but there's no real decision there.

16 Maune argued the debtors were also -- there was an
17 undecided decision by the debtors were designed to manufacture
18 bankruptcy court jurisdiction while allowing third parties to
19 enjoy the benefits. That one, I agreed with the debtor. The
20 dismissal order didn't consider that, at least not directly,
21 and we didn't make any rulings about manufactured jurisdiction.
22 So in any event.

23 Public importance, I agree with the movants. It is
24 publicly important. These are issues, again, that strike at
25 the core of who is entitled to use bankruptcy. Can solvent

1 companies use bankruptcy? Can they use the bankruptcy tools
2 within the orders of dismissal, the orders denying dismissal?
3 I basically said are, have as their fundament the, the fact
4 that you have insolvent estates and is it appropriate to use
5 bankruptcy tools when you are not in that circumstance. Who is
6 entitled to be bankrupt? I, I think that's an important use.

7 The second question that was asserted I agree with is
8 is it proper to use bankruptcy primarily for the benefit of a
9 non-filing debtor. And then there, it was also argued that did
10 the Fourth Circuit in Carolin mean to make this possible.
11 Well, I think that's settled law, but, for the reasons I've
12 just said, but it is an important question.

13 And I do believe the ramifications of these decisions
14 will be great. Yeah, there are only three asbestos cases
15 pending in this District. There have been five or six all
16 total that follow the, the two-step methodology, but they
17 affect hundreds of thousands of people and hundreds of
18 thousands of state court lawsuits. So I don't think you can
19 count it as three. I think you have to say this is, these are
20 issues that are important to a lot of people, particularly
21 since the, those who have mesothelioma don't have long to live,
22 or, perhaps, have already passed, given the circumstances. And
23 I believe there is a, a prospect there that even outside of the
24 asbestos area into mass torts and to other cases where parties
25 wish to assert litigation tactics by coming to bankruptcy --

1 Anything else?

2 MS. RAMSEY: Thank you, your Honor.

3 MR. RUCKDESCHEL: Thank you, your Honor.

4 THE COURT: Thank you all.

5 (Discussion regarding form of order off the record)

6 (Proceedings concluded at 11:58 a.m.)

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CERTIFICATE

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I, court approved transcriber, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter.

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/s/ Janice Russell

February 14, 2024

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Janice Russell, Transcriber

Date

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing EXHIBITS TO ROBERT SEMIAN AND ALL MRHFM'S CLAIMANTS' MOTION TO REQUIRE THE DEBTORS AND TRANE TO MAKE IRREVOCABLE, UNEQUIVOCAL, AND UNCONDITIONAL ADMISSIONS ABOUT THE ENFORCIBILITY OF THE FUNDING AGREEMENTS was filed in accordance with the local rules and served upon all parties registered for electronic service and entitled to receive notice thereof through the CM/ECF system.

Respectfully submitted this the 17th day of April, 2024.

**WALDREP WALL BABCOCK &
BAILEY PLLC**

/s/ Thomas W. Waldrep, Jr.

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