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13 APPEARANCES (via telephone):

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1 P R O C E E D I N G S

2 (Call to Order of the Court)

3 THE COURT: Have a seat, all.

4 All right. Picking up on, on the 9:30 calendar, we
5 have -- this is the joint hearing, if you will. In DBMP, we
6 have the motion of the Committee, the motion to object/strike
7 subpoenas issued by the debtor to Aldrich Pump, Bestwall, and
8 Murray. And then in Aldrich, the motion of the Committee,
9 other Committee, of personal injury claimants to quash the
10 subpoenas sent to the debtors. This one is also on for ruling.

11 Let's start with -- some of you announced about half
12 an hour ago in DBMP. If there are any other parties, I'm going
13 to first assume that those who announced earlier are still
14 here, unless you think you need to tell me otherwise, and then
15 I'll ask if there are any other parties wishing to announce in,
16 in DBMP, and then we'll do the same for Aldrich.

17 So any additions in, in the DBMP end of this? Anyone?

18 Star 6 unmutes.

19 Okay, great.

20 MR. SCHNEIDER: Yes, yes --

21 THE COURT: Yes.

22 MR. SCHNEIDER: Yes, your Honor. Richard Schneider
23 from King & Spalding for Bestwall LLC on the line.

24 THE COURT: Okay. Thank you.

25 MR. SCHNEIDER: Thank you.

1 THE COURT: Anyone else?

2 (No response)

3 THE COURT: All right.

4 Then we'll turn over to the Aldrich side of the table
5 and, and ask if there are announcements there, starting with
6 the debtors.

7 MR. EVERT: Your Honor, Michael Evert from Evert
8 Weathersby Houff for the debtors.

9 THE COURT: All right.

10 Anyone else needing to announce?

11 MR. MASCITTI: Greg Mascitti, your Honor, on behalf of
12 Trane Technologies Company LLC and Trane U.S. Inc. And I'm
13 joined by Stacy Cordes of Cordes Law and Brad Kutrow from
14 McGuireWoods.

15 THE COURT: All right..

16 Any others for the debtors?

17 MR. MILLER: Your Honor, not to unnecessarily
18 complicate it, are, are we going to take appearances for the
19 in-person hearing in Aldrich as well later?

20 THE COURT: Well, yeah. I thought under the
21 circumstances we might have a slightly different group.

22 MR. MILLER: Fair enough. I will sit down and not say
23 a word. Thank you, your Honor.

24 THE COURT: Very good.

25 For the joint ruling in Aldrich, on the Aldrich side

1 of the joint ruling, do we have anyone appearing on behalf of
2 the ACC that, who needs to announce there?

3 Mr. Wright.

4 MR. WRIGHT: Your Honor, Davis Wright of Robinson &
5 Cole on behalf of the ACC. I'm joined in the courtroom today
6 by my partner, Katherine Fix, also of Robinson & Cole, and by
7 Rob Cox of Hamilton Stephens Steele & Martin. And on the
8 phone, at least, is Natalie Ramsey, also of Robinson & Cole.
9 And I don't know. Based on the deposition schedule, I don't
10 know who is on from Caplin & Drysdale or Winston & Strawn. So
11 I'll let them introduce, your Honor.

12 THE COURT: All right. We'll get telephonics in a
13 moment.

14 How about the FCR in Aldrich?

15 MR. GUY: Good morning, your Honor. Jonathan Guy for
16 the FCR and Mr. Grier is here with me in the courtroom, for the
17 record.

18 Thank you.

19 THE COURT: Okay, very good.

20 Anyone else in the courtroom needing to announce from
21 Aldrich?

22 (No response)

23 THE COURT: All right. Telephonic appearances, going
24 back to the debtors. Anyone else needing to announce in
25 Aldrich and Murray?

1 (No response)

2 THE COURT: That got it?

3 (No response)

4 THE COURT: How about for the ACC?

5 Star 6 unmutes.

6 MS. CONCANNON: Good morning, your Honor. Serafina
7 Concannon, again, of Caplin & Drysdale on behalf of the ACC.

8 THE COURT: All right.

9 Anyone else for the ACC, telephonic appearances only?

10 (No response)

11 THE COURT: How about the FCR? Anyone there?

12 (No response)

13 THE COURT: I wouldn't think so.

14 Affiliates? Any Affiliates?

15 (No response)

16 THE COURT: Okay, great.

17 Any preliminaries, or are you ready to get a ruling on
18 the motions?

19 (No response)

20 THE COURT: Nothing to talk about. Y'all are very
21 quite today. That's, I don't know what to make of that. Maybe
22 we'll have more joint hearings. I don't know. Just kidding.

23 Okay. As Yogi Berra would say, "This one's a déjà vu
24 all over again" pair of motions, that being déjà vu from 1922
25 [sic] when the Bestwall subpoenas got sent out to DBMP and

1 Aldrich and Murray and then hearings ensued, first in front of
2 Judge Beyer, then myself dealing with the objections of the
3 Committees. And effectively, Judge Beyer then found that the
4 subpoenas in question sent by one debtor, Bestwall, to the
5 other debtors did not impugn, that it was relevant information,
6 but it did not impugn privilege and it was otherwise protected.
7 I came along behind, about a week later, in a combined hearing
8 and, and ruled consistent with that.

9 Now we have the shoe on the other foot as DBMP tries
10 to seek the same type of information from the other debtors,
11 Bestwall and Aldrich and Murray. Aldrich of the three has not
12 yet issued such subpoenas, but those are promised.

13 As before, the debtors don't resist. The, the
14 subpoenaed debtors don't resist, but the Claimant Committees do
15 on a variety of reasons. I am not going to belabor all these
16 points because we've talked about them at length before, but as
17 you will imagine, I am like, I am inclined to make the same
18 rulings as before. The motions are denied.

19 I can talk at, in greater detail about all that, but
20 it's essentially the same arguments. I don't agree that we
21 have a case of *res judicata* in that for a variety of reasons,
22 different debtors issuing the subpoenas, different Committees
23 responding, slightly different factual circumstances in
24 different cases. Potentially, it's a different fact situation
25 and these rulings were interlocutory and not appealable. So I

1 wouldn't feel comfortable foreclosing the motions themselves.

2 The ACC has argued that the Barton Doctrine applies
3 here and I look at that as a bit of a dead letter. Clearly,
4 one debtor sought to serve subpoenas on the fiduciary of a
5 bankruptcy estate, Aldrich and Murray, and that requires the
6 expenditure of estate assets. Frankly, that may be a technical
7 violation, but there are a couple of reasons why I don't think
8 the Barton Doctrine under the present circumstances should be
9 imposed or applied.

10 In the first instance, as the ACC has argued at
11 length, this is a full-pay case, meaning that the combination
12 of the debtor and the affiliates certainly are solvent and we
13 don't have the usual concerns about outside interests
14 interceding to make demands on the debtor in possession. That
15 would consume limited estate resources that need to be
16 preserved for creditors. That takes us out of the, the
17 reasoned etra (phonetic) for the Barton Doctrine.

18 And the second part is that all three of these cases
19 are in this small two-judge court and I've got two of them, in
20 fact. So I think it's almost a moot point, but the bottom line
21 is I think the ruling should be the same as before. The
22 discovery, in my mind, is proportional to the needs of the
23 case. While the ACC argues the discovery is cumulative in that
24 DBMP has already gotten significant volumes of claimant
25 information and has failed to articulate the need for any more,

1 I agree with the debtors that it's not, the articulation test
2 isn't in the Rule. It's really that discovery is broad and it
3 extends to relevant information. The limitation is that it
4 need be proportionate to the needs of the case.

5 Well, here, the parties are trying to demonstrate at
6 the estimation hearings the reliability or the nonreliability
7 of historical settlements to extrapolate from that an
8 estimation of aggregate liability. The debtors' theory, what I
9 call the true-value theory, essentially says that you can't use
10 the historical values because they are tainted by evidence
11 suppression and the like.

12 So to that end, they want to find out as much as they
13 can about which claimants make what claims and which claims
14 were not mentioned. Now I understand we've got an issue there
15 as to how much reliance was made on anything or whether there's
16 even a question of reliance, but that's for another day.

17 But the bottom line is that we are trying to use what
18 happened in, across thousands of, of cases to extrapolate an
19 estimation of aggregate liabilities for present and future.
20 That's a huge subject matter and enormous sums are at issue, at
21 least \$540 million in the Aldrich case, probably that much more
22 in the, in the DBMP case. Who knows.

23 But the bottom line is that the issues are significant
24 and the subject matter is wide. The targets of the subpoenas
25 are not objecting. So undue burden or expense in that sense,

1 in the strict sense, is not an issue. And I don't think I can
2 find that it's cumulative, or at least not at this point in
3 time. The fact that, in my mind, that one of the debtors has,
4 DBMP, has some claimant information doesn't seem, to me, to
5 obviate the need for it to obtain more, given the central
6 relevance of that information to estimation. And at the
7 estimation hearing -- well, the bottom line is the fact that
8 you know what some claimants might have done with regard to one
9 trust doesn't tell you what the claimants might have done to
10 another debtor in the tort system or a defendant in the tort
11 system. And effectively, it's hard to know at this point in
12 time whether it's cumulative or not and I don't think for the
13 reasons argued that what is already in the debtors' possession
14 can be just presumed to be sufficient. If we knew all of the
15 claims filed by all the claimants and had access to all that
16 information as against any party in a single place, then we
17 could sample and, hopefully, get true estimates. But we don't
18 have one central clearinghouse like that.

19 I don't think the subpoenas seek personal and
20 sensitive or confidential information for the reasons argued
21 and what I articulated before. Effectively, I think this is
22 the companies' property, not the claimants' property. It's not
23 that personal or sensitive. There's no diagnoses. There's no
24 medical information and it's just, effectively, data about
25 settlement-related information, just the date of the settlement

1 and the date of the payment.

2 So I don't see anything really privileged about any of
3 that. And if there were any prospect that there might be some
4 harm to come out of it, the data is subject to a protective
5 order, like the one that we're operating under and which all
6 the data is available to the ACC and FCR because of the
7 agreement with the debtor in that protective order.

8 As to the ACCs' contention about the flood of similar
9 requests and this giant, super database that's available to
10 anyone, well, who knows what might happen in the future. But
11 as argued, this started two years ago and these cases are the
12 only ones that we have seen it. So I'm not willing to
13 extrapolate into the future.

14 As I said, I also believe that the information is not,
15 essentially, the claimants', but it belongs to -- the settled
16 claims. Excuse me -- that this information was compiled from
17 public sources in the main and belongs to the companies. So I
18 don't think notice to those parties needs to be given as, as
19 before.

20 And essentially, if there is a need for protection in
21 these most unusual cases where, essentially, the, the Official
22 Committees are formulated effectively by the tort law firms
23 themselves, the leading tort law firms, I think that whatever
24 arguments that could be made by individual claimants have
25 already been made by parties with a similar interest to theirs

1 and, and who have wonderfully articulated the arguments
2 themselves. So I, I take some confidence in that.

3 As to this alternate suggestion that we use the, the
4 trust protective orders as opposed to the one that we used
5 earlier for provision of documents to the ACC and FCR, I think
6 the latter are sufficient. Because again, the subpoenas don't
7 seek confidential information and I believe that if there's
8 going to be a problem, if it's not going to come out of the,
9 the bigger documents and information provided to the Committees
10 and the FCR, it's, it's not very likely to come out of this.

11 So effectively, I am denying those two motions.

12 That being the case, the parties opposing, the
13 debtors, I will call upon you for a short order, again
14 consistent with these remarks, and you can cite verbal findings
15 so we don't have to repeat all that *ad nauseam*, all right?

16 Anybody got anything?

17 (No response)

18 THE COURT: Do you need a break before we move on to
19 the next matter?

20 (No response)

21 THE COURT: Ready to pitch right in. Okay.

22 Those of you who are only interested in DBMP, feel
23 free to either ring off or leave the courtroom at this point in
24 time. But, if you want to hang around, that, you're welcome
25 for that purpose as well. But we will move on, then.

1 (This portion of the hearing concluded at 9:45 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

April 29, 2024

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Janice Russell, Transcriber

Date

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