Case 20-30608 Doc 2791 Filed 08/25/25 Entered 08/25/25 10:00/-04/-09 Docket #2791 Date Filed: 8/25/2025

UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

In re:

Chapter 11

ALDRICH PUMP LLC, et al.,

Case No. 20-30608

Debtor.

(Jointly Administered)

JOINDER TO THE ACC'S MOTION TO SUBSTITUTE COMMITTEE MEMBERS ON BEHALF OF ALL CLAIMANTS REPRESENTED BY MRHFM

Trane plc—a \$56 billion multi-national conglomerate whose asbestos liabilities are dwarfed by its annual cash flow—did *not* launch this bankruptcy scheme "for the benefit of the asbestos claimants. Rather, these bankruptcies were designed to isolate the asbestos claimants from the overall corporate enterprise and *strand* them in bankruptcy until such time as they agree to a Section 524(g) plan." Findings at ¶ 121 (emphasis).²

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

² See Findings of Fact included in the Order on Preliminary Injunction, Case No. 20-03041, Adv. Pro. Dkt. 308 ("Findings") at ¶ 19. Trane has "…\$16 billion in annual revenues, annual excess cash flow eclipsing \$1.8 billion, and a market cap of \$54 billion…" (Dismissal Order at 14) and "[t]here is no dispute" the Two Step "was performed to isolate [] asbestos liabilities from the rest of the Trane Enterprise." Dismissal Order at 10. The Debtors and their affiliates are referred to herein as the Court did in its "Dismissal Order" dated 12/23/2023 (Dkt. 2047): Trane Technologies Company LLC ("New TTC"), Trane U.S. Inc. ("New Trane") but now apparently called ("New TUI") by the non-debtor affiliates (Dkt. 2788), Aldrich Pump LLC ("Aldrich"), and Murray Boiler LLC ("Murray"). Aldrich and Murray are collectively "the Debtors." See Dismissal Order at 1-3. The former Trane U.S., Inc., Murray's predecessor, is referred to as "Old Trane." Aldrich's predecessor, the former Ingersoll-Rand Company, is referred to as "Old IRNJ." The Debtors are indirect subsidiaries of publicly traded Trane Technologies plc ("Trane plc").

Case 20-30608 Doc 2791 Filed 08/25/25 Entered 08/25/25 19:04:49 Desc Main Document Page 2 of 9

Judge Whitley's conclusions above must be remembered each time that Trane, the Debtors, or the FCR³ complain about delays or pretend to know what's "best" for plaintiffs with asbestos cancer. All claimants represented by MRHFM⁴ join the Official Committee of Asbestos Claimants' ("ACC") Motion to Substitute Committee Members. *See* Dkt. 2769. Given the hyperbolic responses to the ACC's pro-forma motion, Trane is clearly unhappy with how its assault on the tort system has gone. *See* Responses filed by Trane Non-Debtor Affiliates ("Trane") (Dkt. 2788),⁵ the Debtors (Dkt. 2787), and the FCR (Dkt. 2786).

Much like the multi-millionaire college football coach feigning concern for his unpaid student-athletes, Trane and its obedient Debtors make ridiculous assertions about what is "best" for the people suffering, dying, and dead from asbestos-cancer, whining that:

- The plaintiff law firms have "an agenda" that "may not be in the best interests of the [current] claimants" (Debtors Resp. at 2);
- The plaintiff lawyers "stand to benefit from a return of these claims to the tort system in ways that their clients do not" (*id.* at 4);
- The tort system and the "asbestos-litigation model" is the problem (*id.* at 3);

³ Legal Representative for Future Asbestos Claimants ("FCR").

⁴ Robert Semian (recently deceased and in process of being substituted with his estate) and forty-six clients of Maune Raichle Hartley French & Mudd, LLC ("MRHFM") who filed proofs of claim in this case. MRHFM only represents mesothelioma victims. MRHFM represents forty-seven mesothelioma victims who have filed proofs of claim in this case. MRHFM client Joseph Hamlin (deceased, now represented by his surviving spouse) is a member of the Official Committee. This Joinder is not made on behalf of Mr. Hamlin or on behalf of the Committee.

⁵ Trane "join[ed] in the responses" submitted by the Debtors and the FCR. See Trane Resp. at 1.

- The ACC has taken "indirect ways to attempt to dismiss the cases" (id. at 5); and
- The ACC's and the plaintiff law firms have had a "sole focus" on "delay and dismissal and an absolute refusal to engage in negotiations to resolve these cases." *Id.* at 8.

These directly contradictory positions, that plaintiff firms are both seeking to end (dismiss) this bankruptcy *and* delay this bankruptcy, eliminate any credibility that Trane, the Debtors, or the FCR have. None of them offer evidence of why a capped-fund trust—that reduces what Trane pays sick people now and, in the future—is "better" for claimants than the Constitutionally established civil jury system, where Trane easily and fairly paid victims for decades without a whiff of financial distress.

Trane's overzealous reaction to the ACC's motion is only the latest proof that Trane's "bankruptcy" is not about "resuscitating a financially troubled debtor," which the Fourth Circuit requires. *See Carolin Corp. v. Miller*, 886 F.2d 693, 701–02 (4th Cir. 1989). Instead, what Trane wants is tort reform, and demands this Bankruptcy Court do what Congress has repeatedly rejected⁶ and what the Constitution and the Supreme Court prohibit.⁷

⁶ See e.g. The Fairness in Asbestos Injury Resolution Act of 2005 (S. 852, 109th Cong.); The Fairness in Asbestos Compensation Act of 1999 (S. 758, 106th Cong.), the Asbestos Compensation Act of 2000 (H.R. 1283, 106th Cong.), and the Asbestos Claims Criteria and Compensation Act of 2003 (S. 413, 108th Cong.). ⁷ In 1997, the Supreme Court reasoned that an argument for a "nationwide administrative claims processing regime" for asbestos claims could be made, but "Congress, however, has not adopted such a solution." Amchem Prods. v. Windsor, 521 U.S. 591, 628-29 (1997). Two years later, and noting the existence of 11 U.S.C. § 524(g) in a footnote, the Supreme Court again rejected a class action asbestos settlement because of

^{§ 524(}g) in a footnote, the Supreme Court again rejected a class action asbestos settlement because of "serious constitutional concerns that come with any attempt to aggregate individual tort claims on a limited fund rationale" because it "compromises [objecting and future plaintiffs'] Seventh Amendment rights without their consent." *Ortiz v. Fibreboard Corp.*, 527 U.S. 815, 845-46 (1999).

Case 20-30608 Doc 2791 Filed 08/25/25 Entered 08/25/25 19:04:49 Desc Main Document Page 4 of 9

The Debtors rely upon the Third Circuit's decision in *Federal Mogul* (Debtors Resp. at 4) to attack the tort system, but the Third Circuit—which over two years ago rejected the identical Two-Step strategy Trane employs here⁸—found that "systemic public policy questions" about asbestos litigation be left "to Congress." *In re Fed.-Mogul Glob. Inc.*, 684 F.3d 355, 362 (3d Cir. 2012).⁹ And Congress has chosen to do *nothing* about asbestos litigation.

So, having failed in Congress and the appellate courts, Trane demands its asbestos victims accept its capped-fund \$545 million bankruptcy "plan" anyway, which no doubt impairs jury access and limits state law remedies. ¹⁰ Judge Whitley correctly recognized the issues with a capped-fund "plan" like Trane's and discussed them in detail in his dismissal opinion in late 2023. *See* Dismissal Order at 35-40. But, twenty-months later, Trane, the Debtors, and the FCR still demand victims accept this unconstitutional "plan," and complain when the plaintiffs stand on their Seventh Amendment rights, instead.

This case is simple: Trane easily managed its asbestos liability in the tort system for decades, paying approximately \$100 million a year to defend (\$25 million) and settle

⁸ See In re LTL Mgmt., LLC, 64 F.4th 84 (3d Cir. 2023); In re LTL Mgmt., LLC ("LTL 2.0"), 652 B.R. 433 (Bankr. D.N.J. 2023).

⁹ Other courts also have dismissed bankruptcies aimed at tort-reform. Bankruptcy courts in Texas and Indiana dismissed attempts at tort-reform by non-distressed billionaires. *See In re Red River Talc LLC*, 2025 WL 1029302 (Bankr. S.D. Tex. 2025); *In re Aearo Techs. LLC*, 2023 WL 3938436 (Bankr. S.D. Ind. June 9, 2023). ¹⁰ The Debtors and the FCR frequently discuss this plan in their responses. *See* FCR Resp. at 9 (Dkt. 2786); Debtors Resp. at 3, 5 (Dkt. 2787). *See Joint Plan of Reorganization*, Dkt. 831, 9/24/2021.

Case 20-30608 Doc 2791 Filed 08/25/25 Entered 08/25/25 19:04:49 Desc Main Document Page 5 of 9

(\$75 million) claims. *See* Alan Tananbaum Dep., 7/6/2023 at 136:7-20 (Dkt.1909-3). The Debtors can easily pay asbestos claims in full in the tort system for the foreseeable future (ten years) without distress. *Id.* at 167:6-18.

Therefore, it is Trane and the Debtors, not the victims, that benefit from this bankruptcy, which simply delays the inevitable return of these claims to state and Article III federal courts. Trane knows this: it happily pays professionals¹² *less* each year in this bankruptcy than it would pay the sick people in the tort system. Trane hopes this bankruptcy never ends. The Company distributes hundreds of millions in dividends to shareholders¹³ and the cancer victims get *nothing*.

The FCR's bizarre response can be ignored. He is charged with "protecting the rights" of future asbestos victims (11 U.S.C. § 524(g)(4)(B)(i)), not binding them to an unconstitutional capped-fund "plan." Despite the Debtors' ability to easily pay at least \$1 billion over the next ten years (\$100 million/year) to defend and pay future claims in the tort system, the FCR strangely continues to demand *less* money for the people he is

¹¹ Judge Whitley specifically found that Trane can "afford to pay [] asbestos liabilities in the tort system." Dismissal Order at 29.

¹² See Alexander, Profitable companies are dodging asbestos lawsuits. A Charlotte court has helped them, CHARLOTTE OBSERVER, 7/24/2024 https://www.charlotteobserver.com/news/local/crime/article289390884.html; Jeff Tiberri, Legal maneuvers used in Charlotte bankruptcy court hold up lawsuits by victims of asbestos exposure, NORTH CAROLINA PUBLIC RADIO (July 30, 2024), https://www.wunc.org/show/due-south/2024-07-30/legal-maneuvers-used-incharlotte-bankruptcy-court-hold-up-lawsuits-by-victims-of-asbestos-exposure. Randi Love, Advisers Reap \$500 Million FromLongest Asbestos Bankruptcy, BLOOMBERG (July 2025), https://news.bloomberglaw.com/bankruptcy-law/advisers-reap-500-million-from-longest-asbestosbankruptcy. This article is more focused on the Bestwall matter but involves many of the same lawyers and the identical Two-Step strategy as the Debtors here.

¹³ See Aldrich Pump, 2023 WL 901650, at *10.

Case 20-30608 Doc 2791 Filed 08/25/25 Entered 08/25/25 19:04:49 Desc Main Document Page 6 of 9

charged to protect, advocating for a \$545 million "plan" for all claims, forever. Why is the FCR so adamant that future claimants receive *less* than a \$56 billion tortfeasor can easily pay them? He does not and cannot say.

The FCR claims that the New York Supreme Court ordered a new trial after, allegedly, the plaintiff's counsel failed to disclose material evidence in advance of trial. See FCR Resp. at 15. If true, this is only additional proof of why these claims belong in the tort system. The Debtors have remedies in civil litigation to challenge a plaintiff's exposure from all sources. Trane only has its own lawyers to blame if it believes exposures were hidden from it in the tort system pre-petition.

Finally, Robert Semian recently died from mesothelioma. He was not a member of the ACC. He worked for Trane in Pennsylvania where he was regularly exposed to asbestos, which caused his mesothelioma. *See* Robert Semian Motion for Relief from Stay, Dkt. 1588, pgs.1-2. He asked this Court to add Murray Boiler as a defendant to his pending lawsuit in early 2023, which was denied. He then moved to dismiss this bankruptcy in April 2023 (Dkt. 1712), which was also denied. His jury trial in Philadelphia against Trane (or settlement) would have happened well before his death but for this bankruptcy. Mr. Semian succumbed to mesothelioma on July 31, 2025, his constitutional rights *un*vindicated. His family and his estate will oppose and appeal any plan that caps state law remedies or impairs access to the tort system.

The ACC and the "plaintiff law firms" are not the problem; Trane's greed is the problem. Trane and the Debtors seek to hide behind the automatic stay for as long as possible. Perhaps Trane sees this bankruptcy ending sooner than it would like, and that explains the over-the-top responses to the ACC's simple motion.

Dated: August 25, 2025. Respectfully submitted,

WALDREP WALL BABCOCK & BAILEY PLLC

/s/ Thomas W. Waldrep, Jr.

Thomas W. Waldrep Jr. (NC State Bar No. 11135)

370 Knollwood Street, Suite 600

Winston-Salem, NC 27103

Telephone: 336-717-1280

Telefax: 336-717-1340

Email: notice@waldrepwall.com

-and-

THE RUCKDESCHEL LAW FIRM, LLC

/s/ Jonathan Ruckdeschel

Jonathan Ruckdeschel (Maryland, CPF: 9712180133)

8357 Main Street

Ellicott City, Maryland 21043

Telephone: (410) 750-7825

Facsimile: (443) 583-0430

Email: ruck@rucklawfirm.com

Admitted Pro Hac Vice

-and-

MAUNE RAICHLE HARTLEY FRENCH & MUDD, LLC

/s/ Clayton L. Thompson

Clayton L. Thompson (NY Bar No. 5628490)

John Louis Steffan IV (Missouri Bar No. 64180)

150 W. 30th Street, Suite 201

New York, NY 10001

Telephone: (800) 358-5922

Email: <u>CThompson@mrhfmlaw.com</u>

Admitted Pro Hac Vice

Counsel to Various Claimants Holding Mesothelioma

Claims

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that I am, and at all times hereafter mentioned was, more than 18 years of age and that on this day I caused a copy of the foregoing

Joinder To The ACC'S Motion To Substitute Committee Members On Behalf Of All

Claimants Represented By MRHFM to be served via this Court's CM/ECF system on those parties registered to receive electronic notices for this case.

Dated: August 25, 2025.

/s/ Thomas W. Waldrep, Jr.
Thomas W. Waldrep Jr. (NC State Bar No. 11135)

WALDREP WALL BABCOCK & BAILEY PLLC 370 Knollwood Street, Suite 600 Winston-Salem, NC 27103 Telephone: 336-717-1280

Telefax: 336-717-1340 Email: notice@waldrepwall.com

Counsel to Various Claimants Holding Mesothelioma Claims