

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

In re

ALDRICH PUMP LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 20-30608 (LMJ)

(Jointly Administered)

**THE FUTURE ASBESTOS CLAIMANTS' REPRESENTATIVE'S
MOTION FOR AN ORDER COMMENCING THE ESTIMATION TRIAL
WITH HEARINGS BASED ON TORT SYSTEM VALUES AND
THE PARTIES' EXPERT REPORTS**

Joseph W. Grier, III, the representative for future asbestos claimants in the above-captioned cases (the “FCR”), hereby moves for an order commencing the estimation trial with hearings based on tort system values and the parties’ expert reports (the “Motion”), and in support respectfully represents as follows:

PRELIMINARY STATEMENT

Granting the Motion will provide for a quick, streamlined estimation trial in 2026, focused solely on a tort system extrapolation of the Debtors’ asbestos liabilities. The Court’s subsequent estimate could, and indeed should, lead to agreement between the estate fiduciaries for a plan and trust consistent with the Court’s findings. There is no dispute that the asbestos creditors’ collective class interests, future and current, are best served by a properly structured and funded asbestos trust. That fact is underscored given that this case presents the gold standard for asbestos cases well within reach: 100% trust funding from a solvent debtor. Indeed, the FCR hopes that the newly constituted Asbestos Creditors’ Committee (the “ACC”), following the Court’s recent direction,

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).



will support the Motion. Likewise, an agreed and court-approved asbestos trust would serve the Debtors' stated goal of addressing their liabilities in one forum, fairly, without prejudicing creditor rights.

The alternative to granting this Motion would be to wait to start the estimation trial until discovery is completed over a sample population of 1,400 prepetition claims. That will be a lengthy process, delaying the estimation trial and creditor compensation for years. In direct contrast, allowing the Motion will kick-start the estimation process, potentially saving the Court substantial time and effort and leading to the result all fiduciaries should be working toward—prompt compensation for valid claimants, whose recovery is tied to the objective merits of their claims, with all similarly situated claimants being treated the same.

JURISDICTION

The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

On June 18, 2020, the Debtors filed for bankruptcy protection.² The source of the Debtors' asbestos liabilities is the same as in the *Garlock* case: encapsulated asbestos gaskets and packing.³ The Garlock Trust, accepted by all parties and approved by Judge Whitley, was funded with \$480 million based on tort values, and has been a resounding success, paying thousands of valid claims in full. Indeed, the FCR is not aware of a single, bankruptcy court and debtor/creditor approved asbestos trust that is not based on tort values. The best measure of the success of the *Garlock* Trust

² Dkt. 1.

³ *In re Garlock Sealing Techs. LLC*, Case No. 10-31607 (Bankr. W.D.N.C. 2010) (hereinafter, "Garlock").

is that not a single claimant has exercised the right, incorporated in the Trust documents, to seek recovery in the tort system.

The FCR, armed with his experience and knowledge of *Garlock*, and determined to get prompt compensation to valid creditors, quickly sought to negotiate a consensual plan modeled on *Garlock*. Following extensive arm's length negotiations,⁴ the FCR and the Debtors ultimately agreed to a Plan Support Agreement in September 2021.⁵ The Debtors committed to fund an asbestos trust with \$545 million, a number larger than the *Garlock* Trust but for these Debtors' smaller asbestos liabilities.⁶ That agreed number, as in *Garlock*, was based on tort values. Contemporaneously, the Debtors filed their Joint Plan of Reorganization, modeled on the confirmed *Garlock* Plan and related Trust documents.⁷ The FCR is, in turn, committed to supporting that Plan.

In April 2025, the Court ordered the parties to exchange their claim experts' estimates of the Debtors' asbestos liabilities.⁸ In September 2025, the parties' experts, Bates White, LLC, Legal Analysis Systems, Inc., and The Brattle Group, Inc., duly exchanged their reports and their reliance materials. All three experts prepared individual estimates based on the Debtors' tort values. The Debtors' expert also prepared an alternative estimate based on the Bates White legal liability theory. The FCR's expert is currently preparing its rebuttal report. The FCR expects the other experts are as well.

⁴ The prior ACC was invited but declined to join in those plan negotiations.

⁵ *In re Aldrich, Notice of Filing of Plan Support Agreement*, Dkt. 832, Ex. A.

⁶ *Id.*

⁷ *Joint Plan of Reorganization of Aldrich Pump LLC and Murray Boiler LLC*, Dkt. 831.

⁸ *Second Amended Case Management Order for Estimation of Asbestos Claims*, Dkt. 2656 (Bankr. W.D.N.C. Apr. 17, 2025). That Order provided that the parties' experts may file supplemental reports only if they were presented with new, relevant information, e.g., what could be gleaned from ongoing discovery concerning the 1,400 claim sample. *Id.* at 4.

Separately, the ACC and the Debtors are conducting lengthy discovery over an agreed sample of 1,400 claims, all for the purpose of proving or disproving whether tort firms continued the practice highlighted in *Garlock* of suppression of exposure evidence, a key element of the legal liability theory. It is expected that discovery and related motion practice could take years to complete.⁹ As such, no firm date has been set for estimation.

RELIEF REQUESTED

Through this Motion, the FCR seeks an Order commencing the estimation trial with hearings based on tort system values and the parties' expert reports.

BASIS FOR RELIEF

Section 524(g) reflects the Congressional determination that asbestos trusts best serve the interests of the classes of current and future asbestos creditors.¹⁰ Section 105(a) further provides that this Court may issue any order necessary or appropriate to carry out the provisions of the United States Bankruptcy Code.¹¹ Neither Section 524(g) nor any other section of the Bankruptcy Code limits the benefits of asbestos trusts to insolvent debtors.

ARGUMENT

During the *Garlock* estimation trial, the Court reviewed 15 claims when ruling on the debtor's legal liability theory.¹² In contrast, this Court will be asked to review 1,400 claims. What

⁹ The *Bestwall* bankruptcy case was filed in this District nine years ago on November 2, 2017. Like here, a large claim sample has been identified for purposes of assessing the merits of the debtor's allegation of evidence suppression. *In re Bestwall LLC*, Case No. 17-31795 (Bankr. W.D.N.C.) (LTB). Estimation has not occurred in *Bestwall* and may well not for a good while.

¹⁰ *In re Bestwall LLC*, 71 F.4th 168, 183 (4th Cir. 2023) (noting Section 524(g) of the Bankruptcy Code "promote[s] the equitable, streamlined, and timely resolution of claims in one central place compared to the state tort system, which can and has caused delays in getting payment for legitimate claimants."); Order Denying Motions to Dismiss, Dkt. 2047 at 41 (the Court stating: "Even for solvent or non-distressed debtors, it would appear mutually advantageous to employ a trust mechanism to pay the claims of victims who prefer these more expeditious procedures to pursuing their claims in the tort system.").

¹¹ 11 U.S.C. § 105(a).

¹² *In re Garlock Sealing Techs., LLC*, 504 B.R. 71, 85 (Bankr. W.D.N.C. 2014) ("These fifteen cases are just a minute

is more, we can expect discovery and related motion practice concerning those claims to delay estimation for years. Jealously guarding the Court's time and keen to get compensation to valid claimants, the FCR respectfully submits that his, the Debtors', and the ACC's fiduciary efforts are better focused on reaching agreement on an asbestos trust, one that is derived from real world tort values, and that will pay all creditors, current and future, promptly, fairly, and in full. That, after all, is why we are here.

If the fiduciary efforts are aligned with creditor class interests, with the right will and perhaps some nudging from the Court if required, a short tort value estimation trial could be completed in a matter of months. Because the parties have already exchanged their expert reports and reliance materials, all that remains is for the experts to finalize rebuttal reports and be deposed. There is no need for supplemental reports by reference to the 1,400 claim sample or otherwise, nor any need for further discovery. Thereafter, an estimation trial, scheduled at the Court's convenience, with only the three experts and no fact witnesses, could be concluded in days.¹³ A Court ruling on tort value estimation should put this case on the path to plan confirmation. A properly structured trust along the lines of the *Garlock* Trust, funded with an amount determined to be a full tort recovery by an objective, informed, expert arbiter, *i.e.*, this Court, would satisfy the ACC's and the FCR's fiduciary duties to the creditor classes they represent.

To pass on this opportunity would be to ignore the direct, unique parallels to the previously confirmed, successful *Garlock* case. In *Garlock*, involving an entity that was not resource constrained, the FCR, the same FCR here, and the ACC, with many of the same tort firms and

portion of the thousands that were resolved by *Garlock* in the tort system. And they are not purported to be a random or representative sample. But, the fact that each and every one of them contains such demonstrable misrepresentation is surprising and persuasive.”).

¹³ The *Garlock* Court's prior findings on how and who gets exposed to asbestos fibers from encapsulated asbestos gaskets and packing are well-grounded and have been incorporated in the successful *Garlock* Trust. There is no need to repeat a science trial.

ACC professionals, agreed with the debtor on \$480 million trust, based solely tort values. Thus, the *Garlock* Court's legal liability finding was instructive but not dispositive. Likewise, the FCR here, drawing comfort from the success of the *Garlock* Trust, agreed with the Debtors on \$545 million in trust funding, also based solely on tort values, for very similar liabilities to Garlock.

The FCR does not suggest that the Debtors should abandon their legal liability theory or their claims of evidence suppression. Rather, the FCR is simply saying these cases would benefit from an initial estimation ruling based on tort values and the expert reports we have in hand. If that ruling leads to agreement between the fiduciaries, as it should, that would obviate the need to pursue a theory that has proven so divisive with the ACC tort firms and driven the prior ACC's dismissal strategy.¹⁴ Even if the Debtors were to convince the Court, years from now, that their legal liability is some lower number, they remain committed to their agreement with the FCR. But the cost of getting there will be tremendous. To date, professional fees total \$150 million and counting. Those and future fees, which will dwarf any likely legal liability estimate, would be far better spent confirming a plan in this case and compensating claimants. More important, from the perspective of creditor fiduciaries, while we wait for the completion of the legal liability discovery, thousands of valid creditors will continue to die without compensation from the Debtors in their lifetimes.

¹⁴ Avoidance of adverse findings against certain tort firms was never a legitimate justification for the ACC's dismissal strategy, but the relief sought here has the potential to take that divisive issue off the table for now with the possibility that it would not be revisited. The FCR looks forward to working closely with the newly constituted ACC, with robust creditor participation, focusing on the shared collective class interests of both future and current creditors.

NOTICE

The FCR has previously given notice of the relief sought in this Motion to the Debtors, the ACC, and the Bankruptcy Administrator. Notice also will be provided through the Court's electronic noticing system.¹⁵

CONCLUSION

The FCR respectfully requests that the Court enter an Order granting the Motion, instructing the Debtors, the ACC, and the FCR to agree to a schedule for the prompt exchange of expert rebuttal reports, completion of expert discovery, and a date, acceptable to the Court, for the three experts to testify at an estimation hearing based on extrapolation of tort system settlements, and such further relief as is just and proper. A proposed Order is attached as Exhibit A.

WHEREFORE, the FCR prays that the Court will enter an Order granting the Motion and providing such further relief as is just and proper.

Dated: November 25, 2025
Charlotte, North Carolina

Respectfully submitted,

/s/ A. Cotten Wright

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-and-

¹⁵ If the Debtors and the ACC are supportive, the FCR is confident they will have the usual "the devil is in the details" type questions. The FCR is happy to entertain those once they have digested the Motion.

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FUTURE CLAIMANTS' REPRESENTATIVE

EXHIBIT A

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

In re

ALDRICH PUMP LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 20-30608 (LMJ)

(Jointly Administered)

**ORDER GRANTING THE FUTURE ASBESTOS CLAIMANTS'
REPRESENTATIVE'S MOTION FOR AN ORDER COMMENCING THE
ESTIMATION TRIAL WITH HEARINGS BASED ON TORT SYSTEM VALUES AND
THE PARTIES' EXPERT REPORTS**

This matter came before the Court on *The Future Asbestos Claimants' Representative's Motion for an Order Commencing the Estimation Trial with Hearings Based on Tort System Values and the Parties' Expert Reports* (the "Motion") filed by Joseph W. Grier, III, the Future Claimants' Representative in the above-captioned case (the "FCR"). The Court, having reviewed the Motion and having considered the arguments of counsel finds that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant

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.

to 28 U.S.C. §§ 1408 and 1409; (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (d) notice of the Motion was sufficient under the circumstances; and (e) commencing the estimation trial with hearings based on tort system values and the parties' expert reports would advance this case; and (f) the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein;

IT IS, THEREFORE, ORDERED that:

- 1) The Motion is granted; and
- 2) The Court shall retain exclusive jurisdiction over any and all matters arising from or related to the implementation, enforcement, or interpretation of this Order.

This Order has been signed electronically.
The Judge's signature and Court's seal appear
at the top of the Order.

United States Bankruptcy Court

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

In re:

**ALDRICH PUMP LLC, *et al.*,¹

Debtors.**

CASE NO. 20-30608

CHAPTER 11

Jointly Administered

NOTICE OF HEARING

TAKE NOTICE that on November 25, 2025, the Future Claimants' Representative filed *The Future Asbestos Claimants' Representative's Motion for an Order Commencing the Estimation Trial with Hearings Based on Tort System Values and the Parties' Expert Reports* in this case.

Your rights may be affected. You should read this Notice carefully and discuss it with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

PLEASE TAKE FURTHER NOTICE that, pursuant to Fed. R. Bankr. P. 9006 and the Case Management Order, written responses, if any, must be filed on or before **December 9, 2025** (the "Response Deadline"), in order to be considered. If you do not want the Court to grant the relief requested in the Motion, or if you oppose it in any way, you **MUST**:

1. File a written objection with the Bankruptcy Court at:

U.S. Bankruptcy Court
401 W. Trade St., Ste. 2500
Charlotte, NC 28202

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion will be held on **December 17, 2025, at 9:30 a.m. (ET)** before the Honorable Lena M. James at the United States Bankruptcy Court, Charles Jonas Federal Building, Courtroom 2B, 401 West Trade Street, Charlotte, North Carolina 28202.

PLEASE TAKE FURTHER NOTICE that, if you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Motion and may enter an Order granting the relief requested. No further notice of the hearing will be given.

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This is the 25th day of November, 2025.

/s/ A. Cotten Wright

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