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**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:

HOPEMAN BROTHERS, INC.,

Debtor.

Chapter 11

Case No. 24-32428 (KLP)

**LIBERTY MUTUAL INSURANCE COMPANY'S MOTION FOR
REDACTION OF PORTIONS OF HEARING TRANSCRIPTS**

1. In accordance with the Court's Order dated September 16, 2025 (Dkt. No. 85) and Section 320 of the *Guide to Judiciary Policy*, Liberty Mutual Insurance Company ("Liberty Mutual") respectfully requests that certain information be redacted from the transcripts of the hearings held on August 21, August 25, and August 26 (the "August Transcripts"), in order to maintain the confidentiality of Liberty Mutual Protected Material subject to the *Confidentiality Agreement and Protective Order* (the "Liberty Mutual Protective Order"), which was entered by the Court in the main Bankruptcy case and adopted by the Court for purposes of the Adversary Proceeding. Bankruptcy Dkt. No. 206 (Protective Order); Adversary Proceeding Dkt. No. 13 (adopting Liberty Mutual Protective Order in Adversary Proceeding). Specifically, Liberty Mutual



respectfully requests that the portions of the August Transcripts reflected in Appendix 1 be redacted from the versions of the August Transcripts that will be docketed publicly (the “Requested Redactions”). A proposed order is attached hereto as Exhibit A. The Proposed Redactions are reflected in Exhibit B. In support of its Motion, Liberty Mutual states as follows.

2. Two agreements entered into between Hopeman Brothers, Inc. and Liberty Mutual in 2003 -- (i) the Settlement Agreement and Release Between Hopeman Brothers, Inc. and Liberty Mutual Insurance Company, dated March 21, 2003 (the “Settlement Agreement”); and (ii) the Indemnification and Hold Harmless Agreement Between Hopeman Brothers, Inc. and Liberty Mutual Insurance Company, dated March 21, 2003 (the “Indemnification Agreement” and, together with the Settlement Agreement, the “2003 Agreements”) -- contain robust confidentiality provisions:

Except as provided herein and elsewhere in this Settlement Agreement, the terms and conditions of this Settlement Agreement and all matters relating thereto shall remain confidential between the Parties and their attorneys and shall not be disclosed to any other Person who is not an officer, director, employee, attorney, or agent of a Party, except: (a) to the Parties’ accountants, auditors, or attorneys, or Liberty Mutual’s reinsurers; (b) to the Trustee or the Trust; (c) to any other Person as required by operation of law or lawful subpoena or order of court; (d) to any governmental agency in connection with any reporting, disclosure, or other regulatory requirements; (e) in any proceeding to enforce the terms of this Settlement Agreement, subject to an appropriate form of confidentiality order . . .

See Settlement Agreement at 18-19; Indemnification Agreement at 15-16 (similar).¹

3. Consistent with these confidentiality provisions, on September 13, 2024, the Court entered the Liberty Mutual Protective Order, which expressly governs the disclosure and handling

¹ The Indemnification Agreement provides: “Except as provided herein and elsewhere in this Indemnification Agreement, the terms and conditions of this Indemnification Agreement and all matters relating thereto shall remain confidential between the Parties and their attorneys and shall not be disclosed to any other Person who is not an officer, director, employee, attorney, or agent of a Party, except: (a) to the Parties’ accountants, auditors, or attorneys, or Liberty Mutual’s reinsurers; (b) to the Trust or the Trustee; (c) to any other Person as required by operation of law or lawful subpoena or order of court; (d) to any governmental agency in connection with any reporting, disclosure, or other regulatory requirements; (e) in any proceeding to enforce the terms of this Indemnification Agreement, subject to an appropriate form of confidentiality order . . .”. Indemnification Agreement at 15-16.

of the 2003 Agreements and related information, including “any testimony, conversations, or presentations by Parties or their Counsel that would reveal Liberty Mutual Protected Material”. Dkt. No. 206 at 2.

4. The Court’s issuance of the Liberty Mutual Protective Order was supported by well-settled law, which protects a party’s sensitive commercial information -- including settlement agreements. *See, e.g., BioNTech SE v. CureVac, SE*, 2024 U.S. Dist. LEXIS 134789, at *14 (E.D. Va. July 30, 2024) (“Courts in this Circuit routinely seal documents that contain a party’s confidential and commercially sensitive internal business information, including confidential business communications and confidential information about transactions and strategy”); *Coleman Co. Inc. v. Team Worldwide Corp.*, 2021 U.S. Dist. LEXIS 259172, at *1 (E.D. Va. Dec. 2, 2021) (sealing party’s “commercially sensitive, confidential and/or proprietary information, including the material terms of licenses and settlement agreements with third parties”); *Oakridge Assocs., LLC v. Auto-Owners Ins. Co.*, No. 2010 U.S. Dist. LEXIS 107041, at *7 (W.D.N.C. Sep. 23, 2010) (“Guided by Fourth Circuit precedent, the Court finds that Plaintiff’s legitimate interest in the confidentiality of the Settlement Agreement can be preserved by a protective order”) (citing *Virmani v. Novant Health Inc.*, 259 F.3d 284, 288 n.4 (4th Cir. 2001)); *Oppenheimer v. Episcopal Communicators, Inc.*, 2020 U.S. Dist. LEXIS 146398, at *12 (W.D.N.C. Aug. 14, 2020) (“Because a protective order has been entered in this matter, the confidentiality of the settlement agreements will remain protected”).

5. The Requested Redactions include lawyer argument and witness testimony. In general, the Proposed Redactions fall into three categories: (1) argument/testimony concerning the terms of the 2003 Agreements and/or the specific mechanics of the 2003 Agreements; (2) argument/testimony concerning historic insurance coverage disputes between Hopeman Brothers

and Liberty Mutual, which precipitated the negotiation and execution of the 2003 Agreements, and which were resolved confidentially via the 2003 Agreements; and (3) argument/testimony concerning the specific amounts paid pursuant to the 2003 Agreements. Liberty Mutual has designated the information reflected in the Requested Redactions as “Confidential”.

6. The Requested Redactions are narrowly tailored to the categories outlined in Paragraph 5. In other words, Liberty Mutual does not propose to redact swaths of information merely because it shares some relationship with the 2003 Agreements.

7. The Proposed Redactions are consistent with Liberty Mutual’s prior Redaction Requests filed in the Bankruptcy proceeding. *See* Bankruptcy Docket No. 279; Bankruptcy Dkt. No. 479. To date, no party has objected to those Redaction Requests. And, the Requested Redactions also are consistent with redactions that Liberty Mutual has applied to documents filed in accordance with the Court’s sealing orders. *See, e.g.*, Adversary Proceeding Dkt. Nos. 59-60 (redacted Liberty Mutual briefs); Adversary Proceeding Dkt. No. 55 (order authorizing Liberty Mutual to file briefs under seal). To date, no party has objected to any redactions applied by Liberty Mutual.

WHEREFORE, Liberty Mutual respectfully requests that the Court enter the Proposed Order granting the relief requested herein.

Date: September 17, 2025

Respectfully submitted,

/s/ Douglas M. Foley

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CERTIFICATE OF SERVICE

I, Douglas M. Foley, hereby certify that, on this 17th day of September 2025, I caused a true and correct redacted copy of the foregoing to be served via CM/ECF notice on all parties who have registered for electronic service in this adversary proceeding.

/s/ Douglas M. Foley

Appendix 1

APPENDIX 1

August 21 Hearing Transcript

PAGE	LINES	MANNER OF REDACTION
30	11-12	Lines redacted as reflected in <u>Ex. B</u>
58	7-10; 21-23	Lines redacted as reflected in <u>Ex. B</u>
85	19-20	Lines redacted as reflected in <u>Ex. B</u>
86	6-9; 16-17	Lines redacted as reflected in <u>Ex. B</u>
108	7-12; 18-22	Lines redacted as reflected in <u>Ex. B</u>

August 25 Hearing Transcript

PAGE	LINES	MANNER OF REDACTION
73	19-21;23-24	Lines redacted as reflected in <u>Ex. B</u>
74	2-3	Lines redacted as reflected in <u>Ex. B</u>
79	22-25	Lines redacted as reflected in <u>Ex. B</u>
80	1	Lines redacted as reflected in <u>Ex. B</u>
89	24-25	Lines redacted as reflected in <u>Ex. B</u>
132	13-15, 18-22	Lines redacted as reflected in <u>Ex. B</u>
164	22-23	Lines redacted as reflected in <u>Ex. B</u>
165	1-2, 6, 8, 11, 14, 19	Lines redacted as reflected in <u>Ex. B</u>

August 26

Hearing Transcript

PAGE	LINES	MANNER OF REDACTION
99	20-21	Lines redacted as reflected in <u>Ex. B</u>
104	12-13	Lines redacted as reflected in <u>Ex. B</u>
107	22-23	Lines redacted as reflected in <u>Ex. B</u>
114	16-17	Lines redacted as reflected in <u>Ex. B</u>

Exhibit A

(Proposed Order)

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:

**HOPEMAN BROTHERS, INC.,

Debtor.**

Chapter 11

Case No. 24-32428 (KLP)

**ORDER GRANTING LIBERTY MUTUAL'S MOTION FOR
REDACTION OF PORTIONS OF HEARING TRANSCRIPTS**

Upon Liberty Mutual's Motion for Redaction of Portions of Hearing Transcripts; and the Court having reviewed and considered the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, consistent with the Liberty Mutual Protective Order (ECF No. 206) and Section 320 of the *Guide to Judiciary Policy*; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED, as set forth in this Order.
2. The Court Reporter shall apply the redactions set forth in Exhibit B (attached to Liberty Mutual's Motion) to the publicly docketed transcripts of the August 21, August 25, and August 26 Hearings.

Dated: _____, 2025
Richmond, Virginia

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

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Co-Counsel to Liberty Mutual Insurance Company

**CERTIFICATION OF ENDORSEMENT
UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

I hereby certify that the foregoing order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley

Exhibit B

(Liberty Mutual's Proposed Redactions)

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA (RICHMOND)

In Re:) Case No. 24-32428-KLP
HOPEMAN BROTHERS, INC.,) Richmond, Virginia
Debtor.) August 21, 2025
-----) 10:04 a.m.
)

TRANSCRIPT OF HEARING ON
STOUT FEE APPLICATION;
ORDER REFERRING MOTION TO WITHDRAW TO BANKRUPTCY JUDGE
[CIVIL NO. 3:25CV603 (DJN), DOCKET NO. 3;
PLAINTIFF LIBERTY MUTUAL INSURANCE COMPANY'S MOTION TO STAY
ADVERSARY PROCEEDING PENDING MOTION TO WITHDRAW THE REFERENCE
[AP 25-03020, DOCKET NO. 52];
ROUSSEL & CLEMENT DEFENDANTS' RULE 12 MOTION TO DISMISS
[AP 25-03020, DOCKET NO. 23];
COMMITTEE'S MOTION TO DISMISS [AP 25-03020, DOCKET NO. 28];
DEBTOR'S MOTION TO DISMISS OR ABSTAIN AS TO FIRST AMENDED
COMPLAINT FOR DECLARATORY JUDGMENT
[AP 25-03020, DOCKET NO. 33];
MOTION TO DISMISS AND JOINDER OF LANDY & SWARR CLIENTS AND SGP
CLIENTS [AP 25-03020, DOCKET NO. 35];
FCR'S MOTION TO DISMISS ADVERSARY COMPLAINT PURSUANT TO RULES
12(B)(1); 12(B)(2); 12(B)(6) AND 12(B)(7) OF THE FEDERAL RULES
OF CIVIL PROCEDURE [AP 25-03020 DOCKET NO. 39];
HUNTINGTON INGALLS INDUSTRIES, INC.'S MOTION TO DISMISS FIRST
AMENDED COMPLAINT FOR DECLARATORY JUDGMENT
[AP 25-03020, DOCKET NO. 41];
MOTION TO DISMISS FIRST AMENDED COMPLAINT FOR DECLARATORY
JUDGMENT AND INCORPORATED MEMORANDUM OF LAW IN SUPPORT THEREOF
OF CLIENTS OF BOLING LAW FIRM AND LAW OFFICE OF PHILIP C.
HOFFMAN [AP 25-03020, DOCKET NO. 42];
MOTION IN LIMINE OF THE DEBTOR TO EXCLUDE THE EXPERT TESTIMONY
OF MARC C. SCARCELLA [DOCKET NO. 1089]

BEFORE THE HONORABLE KEITH L. PHILLIPS
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

For the Debtor:

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9	Law Firm and Law Office of	411 E. Franklin Street, Suite
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10	For Liberty Mutual Insurance	KEVIN J. FINNERTY, ESQ.
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4 Also present: CHRISTOPHER LASCELL
5 (Via Video),
6 President of Hopeman
7
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24 PROCEEDINGS RECORDED BY ELECTRONIC SOUND RECORDING.

25 TRANSCRIPT PRODUCED BY TRANSCRIPTION SERVICE.

Colloquy

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1 the injury occurs in Louisiana. So here that would be the
2 exposure to asbestos. That is clearly the basis for the claims
3 that our client has asserted under the Louisiana direct action
4 statute. And so Louisiana law governs. And it has an anti-
5 annulment statute, which means parties like the debtor and
6 Liberty can't get together, in 2003, and agree amongst
7 themselves that our client's claims are barred. Louisiana law
8 doesn't permit that.

9 That's what I mean when I say nonbankruptcy law does
10 not allow Liberty to buy a third-party release outside of
11 bankruptcy. And because it [REDACTED] -- or it
12 [REDACTED] pre-petition, there's simply no
13 basis in law for them to get the kind of relief that they seek
14 here.

15 And I will say, we obviously respect the FCR's
16 position. And I will just mention too, it sure seems like it's
17 an effort -- by naming the FCR, it's an effort to, effectively,
18 get a nationwide defendant class action, without satisfying
19 that, and asking Your Honor to do a nationwide injunction
20 through the vehicle of this purported naming of the FCR, which
21 we know the Court can't do. And there's been a lot of recent
22 developments on that from the Supreme Court. So as usual in
23 this case, I try to be easy, so I will rest on our briefs and
24 join the other arguments. Thank you, Judge.

25 THE COURT: Thank you.

Colloquy

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1 weren't, meaning there was always going to be a question as to
2 what the coverage here really was, the parties had a dispute
3 over that. They had a dispute over both whether there was
4 coverage and what coverage there might be under policies they
5 couldn't find. And they had a dispute over what the limits of
6 those policies were and how they would apply.

7 Liberty's view was their policies were [REDACTED]
8 [REDACTED]. Hopeman's view was that there were [REDACTED]
9 [REDACTED], and that was going to impact the
10 [REDACTED]. One option is
11 they litigate that issue in every single asbestos case, for
12 decades, at great expense to everyone, including Liberty,
13 including the estate, or what was then Hopeman, and including
14 the courts, or they try to resolve it, right? Those are their
15 choices.

16 I think, like most courts encourage, and certainly
17 like the public policy in New York and Virginia require, they
18 got together, they tried to settle it, and they did, and they
19 reached an arm's-length settlement, sophisticated parties,
20 sophisticated counsel.

21 And as part of that settlement, Liberty paid [REDACTED]
22 [REDACTED]. That's in addition to having paid [REDACTED]
23 as part of the claim, so [REDACTED]. This is not a
24 cut-and-run deal for the detriment of claimants. A substantial
25 amount of money was paid. It was put into a trust. That trust

Colloquy

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1 Any other rebuttal?

2 MR. RASKIN: Jeffrey Raskin for the committee.

3 Let's talk a little bit about what Liberty Mutual and
4 Hopeman did for forty-seven years. Liberty Mutual started
5 insuring Hopeman in 1937. Policies applicable to the asbestos
6 litigation were issued through 1984 on the primary level. For
7 about ten years prior to 1984, Liberty Mutual also issued five
8 million dollars of per-occurrence coverage to Hopeman, above
9 the primary insurance. That is a substantial amount of
10 insurance coverage.

11 And as it turns out, Hopeman was a very significant
12 asbestos defendant, a significant asbestos defendant with a
13 substantial number of contractor claims. Those contractor
14 claims are not subject to the aggregate limits of liability in
15 the Liberty Mutual policies. That means that those claims
16 could tag the Liberty Mutual policies over and over and over
17 again until there are no more contractor claims.

18 So when Liberty Mutual says that it was a great
19 company and that it agreed, in a settlement, to pay Hopeman [REDACTED]
20 [REDACTED], that's one thing. But Liberty Mutual's
21 liability for Hopeman asbestos claims, even as of 2003, was
22 potentially several times greater than that. We don't know,
23 because Hopeman still gets asbestos claims. And the idea that
24 there are a hundred --

25 THE COURT: You're saying the exhaustion argument

Colloquy

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1 doesn't apply?

2 MR. RASKIN: No, because, for contractor claims, at
3 least, the policies are not exhaustible. That's on the primary
4 level. And it's also on the ten years of umbrella coverage
5 Liberty Mutual then issued to Hopeman, beginning around 1975, I
6 think. So it's not exhaustible. [REDACTED]

7 [REDACTED]

8 [REDACTED].

9 So when they paid the [REDACTED] that Hopeman
10 then used for whatever purpose, including settling ongoing
11 asbestos claims, that money went to those claimants. It didn't
12 go to claimants who are currently with claims against Hopeman
13 and those that will come up in the future.

14 So the entire argument made by Liberty Mutual's
15 counsel that this wasn't just some kind of gratuitous payment
16 that went to Hopeman, it went to pay claimants the [REDACTED]
17 [REDACTED], yeah, it didn't go to pay any current claimants, it
18 didn't go to pay any future claimants, it went to pay people in
19 the past. So what they're trying to do here is cut off their
20 liability to pay future and present asbestos claimants of
21 Hopeman who have not been paid based upon a settlement
22 agreement they entered with Hopeman twenty-two years ago.

23 And this whole idea that somehow what we're asking, in
24 response to their complaint, is for the Court to issue an order
25 that they're going to have to pay forever, no matter what, all

Colloquy

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1 was, in fact, an intermediate appellate court decision that
2 then had a certified question up to the New York Court of
3 Appeals. So just as a matter of fact, that's how it
4 progressed.

5 They were talking about the policies having no limit
6 for operations claims. This is a dispute that's been going on
7 in the insurance industry for a long time. [REDACTED]

8 [REDACTED] [REDACTED]

9 [REDACTED]

10 [REDACTED] [REDACTED]. [REDACTED]

11 [REDACTED]. That's what parties
12 do in a settlement. And we paid [REDACTED] to
13 account for that argument, and that went into a trust to pay
14 claims. And those amounts have paid claims for the last twenty
15 something years.

16 I have no idea, nor I think does anybody else, whether
17 those claims that have been paid, over the last twenty-three
18 years, are more or less than [REDACTED]

19 [REDACTED]. [REDACTED]

20 [REDACTED]

21 [REDACTED] [REDACTED]

22 [REDACTED] We have no idea,
23 and we'll never know. But we settled. We put a value on that
24 dispute, that Hopeman had every interest and incentive to
25 maximize its recovery. Why wouldn't it, right? That's the

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA (RICHMOND)

In Re:) Case No. 24-32428-KLP
HOPEMAN BROTHERS, INC.,) Richmond, Virginia
Debtor.) August 25, 2025
-----) 10:05 a.m.
)

TRANSCRIPT OF HEARING ON
"MOTION TO TEMPORARILY ALLOW CLAIM" - MOTION OF LIBERTY MUTUAL
INSURANCE COMPANY FOR ENTRY OF AN ORDER TEMPORARILY ALLOWING
CLAIM NO. 19 PURSUANT TO BANKRUPTCY RULE 3018(A)
[DOCKET NO. 851];
"CHAPTER 11 PLAN" - MODIFIED AMENDED PLAN OF REORGANIZATION OF
HOPEMAN BROTHERS, INC. UNDER CHAPTER 11 OF THE BANKRUPTCY CODE
[DOCKET NO. 1141].

BEFORE THE HONORABLE KEITH L. PHILLIPS
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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For Official Committee of
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Also present:

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TRANSCRIPT PRODUCED BY TRANSCRIPTION SERVICE.

Christopher Lascell - Cross

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1 settlement agreement, right?

2 A. Yes. Appears that way.

3 MR. FINNERTY: Your Honor, I'd like to offer this
4 exhibit at tab 13 into evidence. It's on our list of certain
5 insurers, Exhibit 27. The debtor indicated they have no
6 objection to this.

7 (2003 settlement agreement was hereby marked for
8 identification as LM's Exhibit 27, as of this date)

9 MR. BROWN: We have no objection to this. It's been
10 introduced.

11 THE COURT: And just for the record, since both sets
12 of exhibits are numerically enumerated, we're going to have to
13 refer to one set as plan proponents and one set as insurance
14 exhibits. So this will be Insurance Exhibit 13 (sic), and it
15 is admitted without objection.

16 (2003 settlement agreement was hereby received into
17 evidence as LM's Exhibit 27, as of this date)

18 MR. FINNERTY: Thank you, Your Honor.

19 Q. So this is an agreement where Hopeman [REDACTED]

20 [REDACTED]
21 [REDACTED], right?

22 A. Yes.

23 Q. And the [REDACTED] from Liberty was from more than
24 [REDACTED], correct?

25 A. Yes.

Christopher Lascell - Cross

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1 Q. And it's your understanding that this 2003 settlement
2 agreement [REDACTED]

3 [REDACTED], right?

4 A. That's correct.

5 Q. And it's your understanding that at present Liberty owes no
6 duties to Hopeman under those insurance policies, right?

7 A. Yes, that's correct.

8 Q. And you don't believe that Hopeman has any rights remaining
9 under the Liberty policies, right?

10 A. That's correct.

11 Q. And so, in sum, Hopeman filed a memorandum in support of
12 the plan on July 25th; do you remember that?

13 A. Yes.

14 Q. Did you review it before it was filed?

15 A. I did. I'm trying to remember exactly what was in that --
16 that -- the July 25th memorandum versus others.

17 Q. I'm going to read you a very specific statement --

18 A. Okay. Yes.

19 Q. -- so that might make it easier. Paragraph 59 of that
20 brief says, quote, as a result of the 2003 agreements, Hopeman
21 released its rights under all of the primary and excess
22 insurance it purchased from LMIC. You agree with that
23 statement, right?

24 A. I do, yes.

25 Q. And Mr. Lascell, I'm going to ask you about the plan.

Christopher Lascell - Cross

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1 Company, right?

2 A. Yes.

3 MR. FINNERTY: Your Honor, I'd like to offer this into
4 evidence, as, I guess, Insurer Exhibit 14.

5 (2003 indemnification agreement was hereby marked for
6 identification as LM's Exhibit 14, as of this date)

7 MR. BROWN: No objection.

8 THE COURT: It's admitted.

9 (2003 indemnification agreement was hereby received into
10 evidence as LM's Exhibit 14, as of this date)

11 MR. FINNERTY: Thank you, Your Honor.

12 Q. Now, it's your understanding that the 2003 indemnification
13 agreement was executed at the same time as the 2003 settlement
14 agreement, right?

15 A. I -- I know they're both 2003. I haven't -- honestly, I
16 haven't looked at the exact dates, but at close to the same
17 time.

18 Q. And can you turn to page 12 of this indemnification
19 agreement, Mr. Lascell?

20 A. Okay.

21 Q. And I'm looking at Section C on that page. It says, quote,

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

Christopher Lascell - Cross

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1 [REDACTED]. Do you see that?

2 A. I do, yes.

3 Q. And just to keep it simple, I'm going to refer to that as
4 the minimization provision, okay?

5 A. Okay.

6 Q. And as you read the minimization provision, the term "each
7 party" refers to Hopeman and Liberty Mutual, right?

8 A. Yes.

9 Q. And in your view, the word "minimize" means to make as
10 small as possible, right?

11 A. Correct.

12 Q. While you were working at Hopeman, you didn't personally
13 take any steps to minimize claims against Liberty Mutual,
14 right?

15 MR. BROWN: Your Honor, let me object. This is
16 outside the scope of direct. I don't know how this fits in at
17 all in anything he's testified before.

18 THE COURT: Well, you are going outside the scope of
19 direct. But will this save recalling him as a witness?

20 MR. FINNERTY: It will, Your Honor. I was going to
21 reserve my right to do so, which I still will. But if I can
22 get to it now, then we might not need to call him again. And
23 I'm working up to the definition of nonsettling insurer here,
24 which, I think we've argued to the Court, is contrary to this
25 provision I just read. So.

Christopher Lascell - Cross

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1 Q. And you told them it's something that Liberty has a problem
2 with, correct?

3 A. I did, yes.

4 Q. And you also told them that the same parties that wish to
5 assert claims against Liberty wanted to be sure to include
6 Liberty as a nonsettling insurer, right?

7 A. I did, yes.

8 Q. And you told your siblings they wanted to include it
9 because they wanted to avoid any doubt, so that they could
10 assert those claims if they had any, right?

11 A. If they had any claims, they wanted to be able to, yes.

12 Q. And when you told this to your siblings, Mr. Lascell, you
13 didn't mention the 2003 indemnification agreement, correct?

14 A. No. I would've -- I mentioned the -- I mentioned that we
15 had an agreement with Liberty, referring to the 2003 agreement.
16 Not the -- not the indemnity agreement; the settlement
17 agreement.

18 Q. Settlement agreement?

19 A. Um-hum.

20 Q. So you didn't mention the minimization provision, right?

21 A. That's correct. So when you explained to your siblings
22 that certain parties wanted to assert claims against Liberty
23 and therefore insert this language, you didn't mention that the
24 2003 agreement states that Hopeman will take [REDACTED]
25 [REDACTED], right?

Ronald Van Epps - Direct

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1 A. I've seen those agreements, yes.

2 Q. And you had a role in tracking payments or exhaustion under
3 those agreements; is that right?

4 A. Yes.

5 Q. Okay. And what did the 2000 agreements settle?

6 A. What --

7 Q. What did they settle?

8 A. Say it again. What did what settle?

9 Q. Yeah. What did the 2003 Liberty agreements with Hopeman
10 settle?

11 A. So it resolved -- it settled the dispute between Hopeman
12 and Liberty on a number of fronts, the biggest one being the
13 fact that Liberty said we've [REDACTED]

14 [REDACTED] And Hopeman said, yes, but [REDACTED]
15 [REDACTED], and we need to find a
16 way to resolve that. And so there were other issues in
17 addition to that. But that was the biggest one. So in
18 exchange for a payment in -- in north of [REDACTED],
19 they agreed that that would [REDACTED]
20 [REDACTED].

21 Q. [REDACTED]?

22 A. [REDACTED].

23 Q. Okay. And as a result of those 2000 agreements, does
24 Hopeman itself have any continuing liability coverage through
25 Liberty Mutual?

Ronald Van Epps - Cross

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1 CROSS-EXAMINATION

2 BY MR. FINNERTY:

3 Q. Good afternoon, Mr. Van Epps.

4 A. Good afternoon.

5 Q. I'm Kevin Finnerty. I represent Liberty Mutual. I just
6 want to ask a couple of questions to clarify your testimony on
7 direct. You said that carriers weren't stepping up and
8 performing their obligations, which led to a shortfall in
9 Hopeman's funds; is that right?

10 A. Correct.

11 Q. But Liberty satisfied all of its obligations to Hopeman
12 under the 2003 settlement agreement, correct?

13 A. I would -- I don't think I can say that.

14 Q. Well, Liberty paid all the amounts that it owed under the
15 2003 settlement agreement, correct?

16 A. That is correct.

17 Q. So when you testified the carriers weren't stepping up and
18 performing their obligations, when you used the term
19 "carriers", that didn't include Liberty in that piece of
20 testimony, right?

21 A. I was not referencing them in that, correct.

22 Q. And you also said that Liberty paid north of [REDACTED]
23 [REDACTED] to resolve the coverage dispute with Hopeman, right?

24 A. Correct.

25 Q. But in total, during the course of its insuring

Ronald Van Epps - Cross

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1 relationship with Hopeman, Liberty has paid much more than [REDACTED]
2 [REDACTED] to Hopeman, correct?

3 A. Correct. Well, wait. Not to Hopeman, on Hopeman's behalf,
4 to -- they settled those matters, yes.

5 Q. Correct, on Hopeman's behalf, right? So as of December
6 2002, Liberty had paid [REDACTED] in indemnity, right?

7 A. I believe that number would be correct.

8 Q. And [REDACTED] in defense costs, right?

9 A. I believe that's correct.

10 Q. And under the 2003 agreement, parties acknowledge there was
11 [REDACTED] left, and Liberty paid those too,
12 right?

13 A. Correct.

14 Q. And then Liberty paid [REDACTED] in
15 connection with that agreement as well, right?

16 A. Lump sum, yeah. Spread over time, but yes.

17 Q. A series of lump sums?

18 A. Yes. Yes.

19 Q. So all in, Liberty paid roughly [REDACTED] in
20 connection with Hopeman in the policies that Liberty issued,
21 right?

22 A. I believe that's correct.

23 MR. FINNERTY: Thank you, Mr. Van Epps. That's all I
24 have.

25 THE COURT: Okay. Thank you.

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA (RICHMOND)

In Re:) Case No. 24-32428-KLP
HOPEMAN BROTHERS, INC.,) Richmond, Virginia
Debtor.) August 26, 2025
-----) 10:03 a.m.
)

TRANSCRIPT OF HEARING ON

1. "MOTION TO TEMPORARILY ALLOW CLAIM" - MOTION OF LIBERTY
MUTUAL INSURANCE COMPANY FOR ENTRY OF AN ORDER TEMPORARILY
ALLOWING CLAIM NO. 19 PURSUANT TO BANKRUPTCY RULE 3018(A)
[DOCKET NO. 851].
2. "CHAPTER 11 PLAN" - MODIFIED AMENDED PLAN OF REORGANIZATION
OF HOPEMAN BROTHERS, INC. UNDER CHAPTER 11 OF THE BANKRUPTCY
CODE [DOCKET NO. 1141].

BEFORE THE HONORABLE KEITH L. PHILLIPS
UNITED STATES BANKRUPTCY JUDGE

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President of Hopeman

Ron Van Epps,
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Conor P. Tully,
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Colloquy

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1 MR. GOODING: Good afternoon, Your Honor. Douglas
2 Gooding for Liberty. Your Honor, I will address the standing
3 argument Mr. Brown raised with respect to Liberty. It's also
4 in the plan proponents' confirmation brief. I'm also going to
5 address the transfer of the Liberty policy issue from Hopeman
6 to the trust, and I'm going to expand on the good faith
7 argument, the 1123 --- sorry -- the 1129(a)(3) argument, and
8 expand on the mediation point that Ms. Davis touched on.

9 Otherwise, my goal is not to repeat or go over ground
10 that Ms. Davis argued. Obviously, Liberty adopts Chubb's
11 arguments, but you're going to hear, thematically, some of the
12 issues --thematically, the themes are the same, even though
13 Liberty, as you know, is coming at this very differently from
14 Chubb, given the pre-petition settlement.

15 So as Ms. Davis did, I'd like to start off just to
16 make clear what it is that Liberty's objecting to and what it's
17 not, because throughout the plan proponents' brief, there are
18 arguments that insurers are trying to shirk their obligations.
19 With respect to Liberty, Liberty completely fulfilled all of
20 its obligations to Hopeman by paying over [REDACTED]
21 [REDACTED] to fund then current and future asbestos
22 claims. The proceeds from that settlement funded -- actually
23 funded asbestos claims, current and future asbestos claims, for
24 over twenty years. So Liberty completely fulfilled its
25 obligations to Hopeman and got a full and fulsome release in

Colloquy

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1 asbestos trustee from taking over that, intervening and taking
2 over that action as against any nonsettling insurer.

3 Now, Mr. Brown referred to the plan simply as a pass
4 through. But and the plan, clearly, given that provision, the
5 plan doesn't merely preserve the status quo. It allows a well-
6 funded trust that has settlement funds, that pursuant to a
7 settlement Your Honor has approved, to intervene and sue
8 Liberty on behalf of a claimant. That clearly was not the
9 state of affairs pre-petition. That is a concrete example of
10 how this plan alters the playing field and affects Liberty.

11 Secondly, as Your Honor has heard, 2003 settlements.
12 Twenty-two years ago Hopeman [REDACTED],
13 [REDACTED]. And you've heard Mr.
14 Brown, and I give him credit for this. He's been clear. Last
15 Thursday before Your Honor, today, he stated time and time
16 again, all rights against Liberty are gone. That's what --
17 clear reading of the settlement. All rights of Hopeman against
18 Liberty are gone.

19 And yet what does this plan do? Under the plan, and
20 the only way you get to what I'm about to say, Your Honor, is
21 by reviewing the interrogatories that Liberty served on the
22 plan proponents. And interrogatory, and that's Exhibit 12,
23 Liberty Exhibit 12. The answers to interrogatories 1 and 9
24 make it clear that the debtor intends to assign rights against
25 Liberty to the trust, if any.

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1 result, Liberty is a party-in-interest and has a right to be
2 heard under Section 1109(b).

3 So I'll pivot to or move on to the transfer argument.
4 Now, at the outset I'd like to make it clear, Your Honor heard
5 from Ms. Davis. Ms. Davis made it clear that Chubb is not
6 challenging the transfer, the assignment of the Chubb policies
7 from Hopeman to the trust. But Liberty is. Liberty is
8 challenging the assignment or the purported assignment of the
9 Liberty policies and rights as against Liberty to the trust.

10 And what's the reason for that? In addition to the
11 statements of Mr. Brown, the testimony yesterday from Mr.
12 Lascell and Mr. Van Epps was clear, that the debtor released
13 all rights as against Liberty. That's the evidence. It's not
14 just the statement of Mr. Brown. Mr. Lascell said there are no
15 rights remaining under the Liberty policies. He also testified
16 Hopeman released all claims against Liberty. He also said,
17 interestingly, I thought it was an apt analogy, since there was
18 no rights against Liberty, Hopeman cannot transfer what isn't
19 in its pocket. You can't transfer something that you don't own
20 or hold.

21 Mr. Van Epps said that the Liberty settlement resolved
22 all [REDACTED]. He also said and testified that the
23 Liberty settlement resolved [REDACTED] and that
24 there were no continuing obligations of Liberty or claims as
25 against, by Hopeman against Liberty. And that testimony,

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1 why would that matter? What would a, I mean, if for some
2 reason the trust decided to intervene in one of these suits,
3 why would that be bad?

4 MR. GOODING: Well, number one --

5 THE COURT: I was under the impression it was perhaps
6 to offer a defense where maybe the insurance company is not
7 doing it.

8 MR. GOODING: Well, Your Honor, the intervention right
9 is on behalf of the claimant. So the intervention right is on
10 the claimant's side of the v, not the insurer's side of the v.
11 And the danger is with this, if any formulation, when combined
12 with the finding that they're requiring Your Honor to make in
13 the section that I've cited, 8.13(c)(V), that means that there
14 are the Liberty -- let me back up, Your Honor.

15 The Liberty settlement agreement resulted in a fulsome
16 release. Liberty paid the money, got a [REDACTED]
17 [REDACTED].

18 The danger here is that with the statement that, again, if
19 Liberty holds policies that are within the definition of the
20 policies that are being transferred to the trust, that down the
21 road, in litigation, direct action litigation against insurers,
22 including Liberty, that the trust intervening will be able to
23 assert extra contractual claims against Liberty.

24 THE COURT: Like what type of expert contractual
25 claims?