Docket #3349 Date Filed: 08/21/2026

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

In re	Chapter 11
ALDRICH PUMP LLC, *et al.*,[1]	Case No. 20-30608 (LMJ)
Debtors.	(Jointly Administered)

STIPULATION REGARDING GROSS-UP

Aldrich Pump LLC ("Aldrich") and Murray Boiler LLC ("Murray"), as debtors and debtors in possession (together, the "Debtors"), the Official Committee of Asbestos Personal Injury Claimants (the "ACC"), and the Future Claimants Representative, Joseph W. Grier, III (the "FCR" and, collectively with the Debtors and the ACC, the "Parties") hereby stipulate as follows:

WHEREAS, on June 18, 2020, the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, and by an order entered on June 15, 2020, the Debtors' cases have been consolidated for procedural purposes only and are being jointly administered under Case No. 20-30608.

WHEREAS, on April 18, 2022, the Court entered the *Order Authorizing Estimation of Asbestos Claims* [Dkt. 1127] (the "Estimation Order"), which authorized the estimation of asbestos personal injury claims in these cases and identified the parties to the estimation proceeding.

WHEREAS, the Court has entered a series of case management orders governing the estimation proceeding, including the *Case Management Order for Estimation of Asbestos Claims* [Dkt. 1302], as amended by the *First Amended Case Management Order* [Dkt. 1804], and the

[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.

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Second Amended Case Management Order for Estimation of Asbestos Claims [Dkt. 2656] (the "Second Amended CMO").

WHEREAS, on January 23, 2026, the Court entered the *Order Commencing Phase I of the Estimation Trial with Hearings Based on the Tort System Extrapolation Method and the Parties' Expert Reports* [Dkt. 3011] (the "Phase I Estimation Order"), which set the Phase I Estimation Hearing for August 10-14, 2026 (the "Phase I Trial"), as well as a pre-hearing schedule.

WHEREAS, pursuant to the Phase I Estimation Order and the Second Amended CMO, the Estimation Parties exchanged initial expert reports and rebuttal reports and took depositions of the Estimation Parties' expert witnesses.

WHEREAS, the Parties presented evidence and argument at the Phase I Trial estimating the Debtors' liability for mesothelioma claims and, consistent with the Phase I Estimation Order, agreed to provide the Court with either: (1) an agreed-upon "gross-up" to account for the Debtors' liability for non-mesothelioma claims; or (2) competing gross-ups, if the Parties could not reach an agreement on the proper gross-up.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the Parties, as follows:

1. The Debtors' expert Dr. Charles H. Mullin calculated a gross-up to his estimate of the Debtors' liability for mesothelioma claims set forth in the Corrected Initial Expert Report of Charles H. Mullin (the "Mullin Report"), PhD [Dkt. 3189] at Appendix D.2.c, pages D-17 through D-18 (attached as Exhibit A).

2. The Mullin Report presents the year-by-year breakdown of mesothelioma versus non-mesothelioma claim payments for both Aldrich and Murray from 2015 through 2020. The relevant data for the 2015–2020 resolution years is as follows:

a. Aldrich: Approximately 82.7% of total liability represented mesothelioma claims, yielding a gross-up multiplier of 1.21.

b. Murray: Approximately 80.6% of total liability represented mesothelioma claims, yielding a gross-up multiplier of 1.24.

3. For purposes of Phase I of estimation only, the Parties agree to use the multipliers 1.21 for Aldrich and 1.24 for Murray, such that those multipliers will be applied to the Court's estimate of liability for mesothelioma claims for each Debtor to reach a total liability for all asbestos claims.

4. Further, to the extent the Court prefers a single multiplier to use across both Debtors, the Debtors and the FCR (but not the ACC) agree on a multiplier of 1.22 that would be applied to the combined mesothelioma liability of the two Debtors.

Dated: August 21, 2026
Charlotte, North Carolina

Respectfully submitted,

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EXHIBIT
A

Figure 51: Aldrich resolved almost all settled claims within five years of claim filing[194]

Filing to payment lag	Percent of claims (cumulative)	Percent of payments (cumulative)
1 year	23%	26%
2 years	58%	67%
3 years	85%	89%
4 years	96%	97%
5 years	98%	99%
More than 5 years	100%	100%

(170) Figure 52 displays the same claim payment statistics for Murray: 98% of mesothelioma claims paid by Murray were resolved within five years of those claims being filed and 99% of settlement amounts were paid within five years of filing.

Figure 52: Murray resolved almost all settled claims within five years of claim filing[195]

Filing to payment lag	Percent of claims (cumulative)	Percent of payments (cumulative)
1 year	28%	28%
2 years	68%	66%
3 years	90%	89%
4 years	97%	97%
5 years	98%	99%
More than 5 years	100%	100%

D.2.c. Ratio of mesothelioma payments to other claim payments

(171) The Debtors have historically paid the most money to mesothelioma claims, both on a per-claim basis and in terms of total spend. The percentage of mesothelioma and non-mesothelioma claim payments have been relatively stable in recent years. Figure 53 displays the percentage of Aldrich claim payments received by mesothelioma and non-mesothelioma claims by year from 2015 to 2020. Mesothelioma claim payments have remained steady at around 83% of total claim payments.

[194] This figure excludes Law Firm 3 and Law Firm 1 claims and Law Firm 2 for Aldrich for the reasons stated in Footnote 138.
[195] This figure excludes Law Firm 3 and Law Firm 1 claims for the reasons stated in Footnote 138.

Figure 53: Percentage of dollars by disease (Aldrich)

Settlement year	Percent mesothelioma	Percent non-mesothelioma
2015	83.1%	16.9%
2016	85.8%	14.2%
2017	79.4%	20.6%
2018	81.4%	18.6%
2019	82.9%	17.1%
2020	83.5%	16.5%
Total 2015–2020	**82.7%**	**17.3%**

(172) Figure 54 displays the percentage of Murray claim payments received by mesothelioma and non-mesothelioma claims by year from 2015 to 2020. Mesothelioma claim payments have remained steady at around 81% of total claim payments.

Figure 54: Percentage of dollars by disease (Murray)

Settlement year	Percent mesothelioma	Percent non-mesothelioma
2015	79.5%	20.5%
2016	80.6%	19.4%
2017	80.8%	19.2%
2018	81.3%	18.7%
2019	79.6%	20.4%
2020	84.6%	15.4%
Total 2015–2020	**80.6%**	**19.4%**

(173) My detailed analysis in this Initial Expert Report directly estimates current and future mesothelioma claims against the Debtors. To account for the non-mesothelioma claims, I have "grossed up" the Debtors' estimated mesothelioma liability so that the estimated mesothelioma liability represents approximately 82.7% and 80.6% of Aldrich and Murray respective claim payments.