Docket #0913 Date Filed: 09/04/2026

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

In re: VANDERBILT MINERALS, LLC, Debtor.	Chapter 11 Case No. 26-60110 (WAK) Related Dkt. Nos. 857, 858, 859

OBJECTING INSURERS' OBJECTIONS TO DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) APPROVING PROPOSED DISCLOSURE STATEMENT AND THE FORM AND MANNER OF NOTICE OF HEARING THEREOF, (II) ESTABLISHING SOLICITATION AND VOTING PROCEDURES WITH RESPECT TO DEBTOR'S PROPOSED CHAPTER 11 PLAN, (III) SCHEDULING CONFIRMATION HEARING, (IV) ESTABLISHING NOTICE AND OBJECTION PROCEDURES FOR CONFIRMATION OF DEBTOR'S PROPOSED CHAPTER 11 PLAN, AND (V) GRANTING RELATED RELIEF

2660110260904000000000004

Table of Contents

Page(s)

I. Preliminary Statement 1

II. Background 3

III. Argument and Citation to Legal Authority 6

A. Objection I – the Disclosure Statement must contain complete and adequate information 6

B. Objection II – the undisclosed TDPs and Trust Agreement are essential to evaluating the Plan 7

C. Objection III – the Disclosure Statement fails to identify the individuals responsible for allowing and valuing claims, administering the liquidation trust, and making distributions under the Plan 10

D. Objection IV – the Disclosure Statement does not apprise creditors and other interested parties of the risk that noncompliance with the CIPs may preclude recovery from non-settled insurers. 12

E. Objection V – the voting procedures should be modified to require a record of any departures that Debtor authorizes with respect to late, superseding or otherwise non-conforming ballots 13

F. Objection VI – the proposed confirmation schedule is unreasonable 17

IV. Conclusion 21

Table of Authorities

Page(s)

Cases

In re Affordable Med Scrubs, LLC, No. 15-33448,
2016 WL 3693978 (Bankr. N.D. Ohio July 5, 2016) 11
In re Avianca Holdings S.A., 632 B.R. 124 (Bankr. S.D.N.Y. 2021) 6
In re Budd Co., 550 B.R. 407 (Bankr. N.D. Ill. 2016) 6
In re Copy Crafters Quickprint, Inc., 92 B.R. 973 (Bankr. N.D.N.Y. 1988) 6
Double G.G. Leasing, LLC v. Underwriters at Lloyd's, London,
116 Conn. App. 417, 432 (2009) 13
In re Imerys Talc Am., Inc.,
2021 WL 4786093 (Bankr. D. Del. Oct. 13, 2021) 14-15
In re Lloyd E. Mitchell, Inc., 373 B.R. 416 (Bankr. D. Md. 2007) 18
Official Comm. of Unsecured Creditors v. Michelson (In re Michelson),
141 B.R. 715 (Bankr. E.D. Cal. 1992) 6
In re Source Enterprises, Inc.,
2007 WL 7144778 (Bankr. S.D.N.Y. July 31, 2007) 9-10

Statutes

11 U.S.C. § 1125(a)(1) 6
11 U.S.C. § 1125(b) 6, 10
Fed. R. Bankr. P. 3018(a)(3) 14-15

The insurers listed in the signature blocks below (collectively, the "Objecting Insurers"), hereby object to (i) the Disclosure Statement for of Debtor Vanderbilt Minerals (Docket No. 858) in support of its Plan of Liquidation (Docket No. 857), and (ii) the related motion seeking approval of the Disclosure Statement and solicitation procedures (Docket No. 859) (the "Motion").

I. Preliminary Statement

The Court should deny the Motion at this time and decline to approve the Disclosure Statement because it lacks adequate information regarding the procedures that will apply to determine the allowance, amount, and payment of Talc Claims.

In particular, Debtor has not provided the Trust documents, including Trust Distribution Procedures, that are an important part of the Plan and that will govern how Talc Claims are resolved, and the Disclosure Statement lacks any explanation of such Trust Distribution Procedures.[1] That omission is fatal to the Motion. In addition, the Court should require that any order permitting solicitation of the Plan and scheduling a hearing on confirmation be revised because the Debtor's balloting and voting procedures do not comply with the requirements of the Bankruptcy Code. Finally, the proposed confirmation schedule does not give parties in interest adequate opportunities to evaluate the proposed plan, take appropriate discovery and, to the extent appropriate, object to plan confirmation.

Debtor states that it filed this chapter 11 case to "address a liquidity crisis that stemmed from mounting talc-related litigation defense costs and jury verdicts." (Disclosure Statement at 4.) Despite the central nature of the Debtor's alleged talc-related liabilities, neither the Plan nor

[1] Capitalized terms not defined here have the definitions given in the Plan or, if not defined therein, in the Disclosure Statement.

the Disclosure Statement explains how assets will be allocated among holders of Talc Claims. The Disclosure Statement states that there will be a Trust that will be responsible for liquidating and paying Talc Claims, which has become commonplace in mass tort bankruptcy cases. The Disclosure Statement and the Plan also provide, consistent with other mass tort cases, that there will be a Trust Agreement and Trust Distribution Procedures that provide the mechanisms and criteria by which Talc Claims will be resolved, liquidated (or rejected) and, if appropriate, paid by the Trust. But, to date, those documents are nowhere to be found.

The Plan depends substantially on rights under historic insurance policies and related coverage-in-place agreements (the "CIP Agreements"). Debtor states that the remaining limits potentially available for talc claims exceed $400 million, although the realizable value of those rights is uncertain. *See* Disclosure Statement at §§ 5.13(a), 9.1(f). The Plan would transfer Debtor's Insurance Rights to a newly created Liquidation Trust, place the resolution of all Talc Claims in the hands of a yet-to-be-identified Liquidating Trustee, and require distributions on Talc Claims to be made pursuant to Trust Distribution Procedures (the "TDPs") that have not been filed or described. *Id.* at § 6.4(c)(iv); Plan §§ 4.5, 5.2, 5.3.

The missing documents are central, not ancillary. The TDPs will govern whether Talc Claims are allowed, how they are valued, the information required to support them, and how much and when claimants may be paid. The Trust Agreement will define the powers and duties of the Liquidating Trustee and the Trust Advisory Committee. Those matters bear directly on potential insurance recovery and on compliance with the Insurance Policies and CIP Agreements, which contain their own provisions governing, among other things, claims handling, defense, settlement, allocation, and payment. Yet the Debtor proposes to defer the TDPs, the Trust Agreement, the identity and compensation of the Liquidating Trustee, and the members of the Trust Advisory

Committee to a later Plan Supplement. Without those critical documents, however, claimants cannot know how their claims will be approved or valued, and the insurers cannot determine whether their rights are being preserved.

Objecting Insurers likewise have a strong interest in examining the Trust Documents to assess whether, and how, the Plan affects their rights. Objecting Insurers, all of whom issued or allegedly issued liability policies to Debtor's predecessor R.T. Vanderbilt Company, are parties to the CIP Agreements that define the parties' respective rights and obligations regarding the defense and resolution of Talc Claims. The CIP Agreements provide procedures to ensure that the talc claims are appropriately defended and sets forth the relative obligations of the parties, including Debtor, to fund settlements and/or judgments.[2]

Recent decisions from other mass tort cases have affirmed that, to be confirmable, a plan must be "insurance neutral," meaning that it cannot compromise an insurer's rights or coverage defenses without the insurer's consent. Objecting Insurers need to understand whether the Plan will attempt to modify or abrogate Objecting Insurers' rights under their respective policies or the CIP Agreements. But that question cannot be fairly analyzed without the Trust Documents and the TDPs.

That uncertainty, in turn, creates a significant risk for creditors that the Plan will threaten the collectibility of insurance in the future, but Debtor has not disclosed that risk. For these reasons, the Disclosure Statement does not contain the "adequate information" required by § 1125 of the Bankruptcy Code and the Court should deny approval of the Disclosure Statement.[3]

---

[2] Objecting Insurers believe that the CIP Agreements are not executory in nature and remain fully binding on the parties, including Debtor.

[3] Objecting Insurers reserve their right to assert objections to the Plan at a later date.

II. Background

Debtor filed this chapter 11 case on February 16, 2026. Debtor continues to operate its remaining assets as a debtor in possession. Debtor's predecessor-in-interest, R.T. Vanderbilt Company ("RTVC"), began producing and selling industrial talc in 1948 and stopped selling talc in 2008. *Declaration of Dean Vomero, Chief Restructuring Officer of Debtor Vanderbilt Minerals, LLC, in Support of First Day Motions of Debtor and Debtor in Possession* (Dkt. No. 3) ("Vomero Decl.") ¶ 46.

Starting in the 1970s, RTVC was named as a defendant in lawsuits alleging exposure to asbestos based on RTVC's industrial talc production. Disclosure Statement at 34. As of the Petition Date, Debtor had incurred approximately $117.2 million in talc-related indemnity and defense costs. Vomero Decl. ¶ 60. More than 1,400 Talc Claims were pending against Debtor as of the Petition Date. *Id.* ¶ 53.

Before the Petition Date, Debtor and Objecting Insurers were parties to the CIP Agreements. Along with Debtor, Objecting Insurers paid allocable shares of defense and indemnify against Talc Claims. *Id.* On May 8, 2026, the Court approved the sale of substantially all of Debtor's assets. *See* Dkt. No. 576 (the "Sale Order"). Although an appeal from the Sale Order remains pending,[4] the Sale closed without a stay on June 10, 2026. Dkt. No. 732. As such, the Debtor has no ongoing business operations. In the event a Plan goes forward, Objecting Insurers likely will need to look to the Liquidating Trust to fulfill the Debtor's obligations under the CIP Agreements with respect to Talc Claims.

On August 6, 2026, Debtor filed the Plan, the Disclosure Statement, and the Motion. The Plan is a plan of liquidation and provides that, "on the Effective Date, liability for all Talc Claims

[4] *The Official Committee of Unsecured Creditors, a/k/a UCC, v. Vanderbilt Minerals, LLC and Ben Pickering*, Case No. 8:26-cv-01091-BKS (N.D.N.Y.).

shall be permanently assumed by the Liquidation Trust without further act or deed and shall be resolved in accordance with the Trust Distribution Procedures." Plan, § 4.5(ii). The Plan provides that the Trust will be managed by the Liquidating Trustee pursuant to a Trust Agreement, and that "the Liquidating Trustee shall have the power and authority to determine the eligibility, amount, and allowance of Talc Claims pursuant to this Plan and the Trust Distribution Procedures, as applicable." *Id.* § 5.2(v). *See also id.* §§ 5.13, 6.4(c)(v), 6.4(d)(i)–(iv); Plan §§ 5.2(v), 5.3(i)–(iv). Payments to holders of Talc Claims under the Plan are to be made "at such time as determined by the Liquidating Trustee in accordance with the treatments set forth in this Plan and the Trust Distribution Procedures." *Id.* § 5.3(vii). Objections to Claims against Debtor "may be interposed and prosecuted only by the Liquidating Trustee," provided that "objections to any Talc Claims shall be interposed, prosecuted, or otherwise administered solely pursuant to, and in accordance with, the Trust Distribution Procedures." *Id.* § 7.2.

Distributions on account of Allowed General Unsecured Claims and Allowed Talc Claims would be made from separate recovery funds—the GUC Recovery Fund and the TC Recovery Fund, respectively. *See* Disclosure Statement §§ 6.3(c)(ii), 6.3(e)(ii), 6.4(d)(vi)–(vii); Plan §§ 4.3(ii), 4.5(ii), 5.3(vi)–(vii).

The Plan defines the Trust Distribution Procedures as "the *Liquidation Trust Distribution Procedures*, substantially in the form attached hereto as **Exhibit A**." *Id.* at 16 (emphasis in original). Exhibit A to the Plan consists of a single page entitled "Trust Distribution Procedures," bearing no text other than the placeholder "[TO COME]." *Id.* at 73. The Plan also says that a Plan Supplement shall be filed no later than 14 days before the Voting Deadline, and that the Trust Agreement establishing the Liquidation Trust and delineating the terms and conditions for its

management "shall be filed with the Plan Supplement." *Id.* at 12, 16. The Plan does not provide any other details regarding the mechanisms or criteria for resolution and payment of Talc Claims.

Rather, the Plan and Disclosure Statement defer many of the operative terms of that structure. The Plan Supplement is expected to include, among other things, the Trust Agreement, the TDPs, the identity and compensation of the Liquidating Trustee and the initial members of the Trust Advisory Committee. *See* Disclosure Statement at Arts. I, VIII; Plan Art. I §§ 5.2(i), 5.3(viii).

III. Argument and Citation to Legal Authority

A. Objection I – the Disclosure Statement must contain complete and adequate information.

A debtor may solicit votes to accept or reject a chapter 11 plan only after the court has approved a written disclosure statement containing "adequate information." 11 U.S.C. § 1125(b). Section 1125(a)(1) defines adequate information, in relevant part, as:

> information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records... that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan…

What constitutes adequate information is determined in light of the facts and circumstances of the case, but the disclosure must be sufficiently clear and complete to permit an informed decision. *In re Copy Crafters Quickprint, Inc.*, 92 B.R. 973, 979–81 (Bankr. N.D.N.Y. 1988). A disclosure statement should explain the consequences of the proposed plan in simple and clear language and disclose material information concerning the risks presented by the plan. *Id.* at 981; *In re Budd Co.*, 550 B.R. 407, 412–13 (Bankr. N.D. Ill. 2016); *In re Avianca Holdings S.A.*, 632 B.R. 124, 130 (Bankr. S.D.N.Y. 2021). The plan proponent bears the burden of establishing that its disclosure statement

satisfies § 1125. *Official Comm. of Unsecured Creditors v. Michelson* (*In re Michelson*), 141 B.R. 715, 720 (Bankr. E.D. Cal. 1992).

A plan proponent cannot satisfy that burden by postponing disclosure of documents that govern the plan's principal trust and distributions until after creditors are asked to evaluate the plan. *See In re Source Enters., Inc.*, 2007 WL 7144778, at *3 (Bankr. S.D.N.Y. July 31, 2007) (requiring disclosure of material information concerning a proposed trust and other plan-supplement materials). Here, the omitted documents concern the Plan's central means of administering and paying the Debtor's principal liabilities.

B. Objection II – the undisclosed TDPs and Trust Agreement are essential to evaluating the Plan.

The Plan provides that, unless already Allowed or Disallowed as of the Effective Date, "each Talc Claim shall be Allowed or Disallowed pursuant to the Trust Distribution Procedures." *See* Plan § 4.5(i). The Plan and Disclosure Statement also acknowledge the existence of Insurer CIP Agreements and settlement agreements, but do not disclose how such contracts will be honored by the TDPs.

The CIP Agreements contain specific provisions governing the defense and payment of claims. For example, the CIP allocates defense costs and indemnity costs among the funding parties[5] and prescribes when each funding party must fund a settlement. It also gives participating insurer funding parties material rights in the administration and resolution of covered talc actions, including weighted voting rights over the selection and replacement of the Third-Party Administrator and the scope of its duties, *id.* ¶¶ 6(b)–(c); access to claim updates, settlement-

[5] "Funding Party(ies)" means both (i) the Vanderbilt Insurers that are Defending Insurers and/or Indemnifying Insurers at the time they are paying Defense Costs and/or Indemnity Costs for any Covered Talc Actions; and (ii) Vanderbilt at the time and to the extent it is paying Defense Costs and/or Indemnity Costs for Self-Insured Periods for Covered Talc Actions.

authority requests, and defense files, *id.* ¶ 7(a); and a vote on every settlement and appeal, with an 80-percent weighted vote required to settle a covered talc action and a simple-majority weighted vote governing whether to appeal a judgment, *id.* ¶¶ 8(f)–(h), (j). Without the TDPs, parties cannot determine how the contractual claims-administration, payment, and voting regime will be effectuated.

Nonetheless, the Plan's treatment of Class 5 claims and insurer claims and contracts is completely governed by the TDPs, which the Disclosure Statement confirms "will be attached to the Plan Supplement." *See* Disclosure Statement, Art. VIII. The Trust Agreement likewise will be included only in the Plan Supplement. *Id.* However, the Plan identifies the TDPs as Exhibit A to the Plan, but the exhibit is "[t]o come." *See* Exhibit A to Plan, at 73. Accordingly, the Motion seeks approval of the Disclosure Statement notwithstanding the fact that it does not include documents essential to understanding the nature by which distributions will be made to claim holders under the Plan. Namely, the documents that will govern allowance, valuation, payment, releases, review, and trust administration are unavailable to claimants, insurers, and other parties in interest.

Without the completed documents, creditors, insurers, and parties in interest cannot answer basic questions material to the proposed claims process, including:

- In what Class are Channeled Claims classified for voting purposes?
- How are insurer contracts, including the existing settlements and CIP Agreements, going to be treated under the TDPs?
- Will the TDPs comply with the terms of the CIPs?
- What are the procedures for valuing Talc Claims?
- What are the proposed values for Talc Claims?
- What is the proposed payment percentage for Talc Claims, if any?

- What information must a claimant submit to receive payment?
- What are the risks and consequences, if any, of noncompliance with the CIPs?
- How will the Trust access insurance if the TDPs do not comport with the CIPs?

The foregoing is hardly an exclusive list of questions about the TDPs that should be, but are not, addressed by the Disclosure Statement. A plan proponent cannot meet its disclosure obligations simply by late submission—with little or no notice—of a dense, highly complex exhibit of central importance to the Plan like the TDPs, without discussing the TDPs at all in the disclosure statement.

In *Source Enterprises*, 2007 WL 7144778, the court denied a motion to approve a disclosure statement under similar facts. In that case, the debtors included an amended disclosure statement, plan, and plan summary in their solicitation packages mailed to creditors, but they subsequently filed a variety of relevant documents, including a plan supplement, that "creditors were not able to consider . . . in determining whether to vote in favor of or against the Plan." *Id.* at *1. The missing plan supplement included important information about relevant causes of action that would not vest with a trust created under the plan. *Id.* at *4. The court noted that while the untimely submissions "did not necessarily materially alter the disclosures made in the Disclosure Statement they certainly provided amplification of the Debtors' financial circumstances that was necessary to provide adequate information." *Id.* at *1. The court further noted that the submissions were "material and not of an incidental nature." *Id.* Specifically, with respect to the trust, the court found that the disclosure statement needed to include information about the trust's assets, including the collectability of accounts receivable, and potential causes of action and defenses thereto that would vest in the trust. *Id.* at *4.

Here, the Plan's proponents have not even provided the documents, leaving creditors to guess what they might entail. Debtor owes its creditors and its insurers a thorough explanation of how Talc Claims will be treated under the TDPs if the Plan is confirmed. Because the proposed Disclosure Statement contains no such explanation, it does not meet the "adequate information" requirement of § 1125(b) of the Bankruptcy Code. Whereas the bankruptcy court in *Source Enterprises* rejected a disclosure statement that did not include relevant information about a trust's assets and causes of action, Debtor in this case has omitted the trusts' governing documents altogether, and therefore this case presents a more egregious instance where a disclosure statement fails to provide adequate information than *Source Enterprises*. Consequently, the Motion should be denied because "[a]lthough a denial of the relief herein will result in added costs to the Debtor[ ] to resolicit, the Debtor[ ] proceeded at [its] own risk and must have been aware of such risks." *Id.* at *1.

C. Objection III – the Disclosure Statement fails to identify the individuals responsible for allowing and valuing claims, administering the Liquidation Trust, and making distributions under the Plan.

The Disclosure Statement does not identify the proposed Liquidating Trustee or the initial members of the Trust Advisory Committee, instead providing that their identities will be disclosed in a later Plan Supplement. Disclosure Statement at 4, 60, 64, 104. Consequently, creditors, insurers, and other interested parties are asked to evaluate the Plan without knowing who will administer its principal assets and liabilities, what qualifications those individuals possess, or whether they have potential conflicts of interest.

The Liquidating Trustee's identity is particularly significant because the Liquidating Trustee will administer the Liquidation Trust, determine the eligibility, amount, and allowance of Talc Claims, establish reserves, make distributions, and pursue or resolve claims involving

Insurance Rights. Disclosure Statement at 60–64, 104–07. The Liquidating Trustee also will become the Debtor's "sole officer, and manager" following the Effective Date, and the Trustee's determinations concerning Talc Claims will be "final and binding" as between claimants and the Liquidation Trust, subject only to review provided under the Plan and undisclosed TDPs. *Id.* at 60–61. Nevertheless, the Disclosure Statement provides no information concerning the proposed Liquidating Trustee's identity, experience, credentials, affiliations, compensation, or relationships with Debtor, the Committee, claimants, or their counsel.

The same concerns apply to the Trust Advisory Committee. Its members, who will initially be selected by the Committee with Debtor's consent, will exercise consultation and consent rights concerning administration of the Liquidation Trust. Disclosure Statement at 104. Among other things, the Liquidating Trustee must provide the TAC information concerning claims reconciliation and trust reserves and must obtain its consent before adopting procedures for binding arbitration of disputes over Talc Claims. *Id.* at 64, 107. Yet, the Disclosure Statement neither identifies the TAC's members nor explains the scope of their authority, potential conflicts, or the standards governing their oversight of the Liquidating Trustee.

These omissions are especially material given the proposed trust's reliance on Insurance Rights and the Liquidating Trustee's responsibility for administering and resolving Talc Claims. Although the Disclosure Statement provides that the allowance of a Talc Claim does not itself establish an insurer's coverage obligations, the qualifications, independence, and affiliations of those administering the trust remain relevant to assessing how claims will be evaluated, whether the Insurance Policies and CIP Agreements will be honored, and what risks may affect anticipated insurance recoveries.

Courts have rejected similar attempts to defer disclosure of trust fiduciaries and governance arrangements. In *In re Affordable Med Scrubs, LLC*, 2016 WL 3693978, at *2 (Bankr. N.D. Ohio July 5, 2016), the court found a disclosure statement inadequate where, although the proposed liquidating trustee was identified, the debtor failed to provide information concerning the trustee's "experience and credentials" and relationship with an interested creditor. The court further concluded that disclosure of information concerning an oversight committee and liquidating trust agreement through a subsequent plan supplement was insufficient. *Id.* The deficiency here is more pronounced: Debtor has not identified the Liquidating Trustee or TAC members, disclosed the Trustee's compensation, or provided the trust documents defining their authority.

Accordingly, the Disclosure Statement should not be approved unless and until the Debtor identifies the proposed Liquidating Trustee and initial TAC members; discloses their qualifications, affiliations, potential conflicts, and, as applicable, compensation; and provides the trust documents governing their respective powers, duties, and oversight responsibilities.

D. Objection IV – the Disclosure Statement does not apprise creditors and other interested parties of the risk that noncompliance with the CIPs may preclude recovery from non-settled insurers.

The Plan and Disclosure Statement acknowledge that recovery from insurers under the applicable CIPs and Settlement Agreements will be governed by state law. *See* Disclosure Statement at § 6.7(f), 6.8(a)(xiv)(5). Debtor discloses that "Notwithstanding the potential limits of the implicated policies, the realizable value of such coverage is subject to a number of factors and uncertainties, including the solvency of the insurance carriers." *Id.* § 5.13(a). Because Debtor has not filed the TDPs, no one can know if the TDPs will properly account for and comply with the Objecting Insurers' rights under the CIP Agreements. If the Trust and TDPs do not comply

with the obligations under the CIP Agreements, they may lose any right to coverage. That risk is especially relevant in this case because Debtor's insurers have been defending and settling claims pursuant to the CIP Agreements. Any decision by Debtor or the Trustee to strip that defense from the insurers or to breach the CIP Agreements would likely result in a finding that no coverage is owed. *See, e.g.*, *Double G.G. Leasing, LLC v. Underwriters at Lloyd's, London*, 116 Conn. App. 417, 432 (2009). This risk is not adequately explained or disclosed. Any Disclosure Statement approved by the Court should contain a complete and accurate discussion of the risks inherent in the current plan.

For example, the Disclosure Statement could explain: "The Debtor is a party to certain Insurance Policies as well as the CIP Agreements and Insurance Settlement Agreements. Any failure by the Trust to comply with the terms of those agreements could result in a finding that the Insurers are not obligated to provide coverage for any claim. Any failure of compliance with all insurance policies and contracts is a material risk to claimants' recoveries."

E. Objection V – the voting procedures should be modified to require a record of any departures that Debtor authorizes with respect to late, superseding or otherwise non-conforming ballots.

The Court should also deny the Motion because Debtor's proposed solicitation procedures and confirmation schedule are not appropriate for this chapter 11 case. Debtor's proposed balloting procedures are inconsistent with the applicable Bankruptcy Rules. The Rules contemplate that this Court will set clear, uniform rules for voting requirements that apply equally to all affected parties to promote transparency, consistency, and confidence in the solicitation process. The procedures Debtor has proposed depart from this uniformity in several key respects including: (1) allowing claimants to change their votes without a showing of cause; (2) giving Debtor unfettered discretion to extend the voting deadline exclusively for Claimants of Debtor's

choosing; (3) affording Debtor discretion to waive deficiencies in balloting; and (4) allowing Debtor to give greater weight to certain Talc Claims by stipulating to increased dollar values for those claims in derogation of the proposed valuation of each Talc Claim at $1.00. To the extent the Court intends to afford Debtor discretion to accept nonconforming ballots, the Court should expressly require the voting agent to create a log of any votes that deviate from the normal voting process that the Court authorizes, Debtor should be required to explain the reason for permitting the divergence, and parties in interest should expressly be afforded an opportunity to challenge any nonconforming ballots.

First, Bankruptcy Rule 3018 prohibits Claim holders who vote to accept or reject a Plan from changing their votes on a whim, including by filing a second ballot. Specifically, Rule 3018(a)(3) provides that a creditor may change or withdraw a vote on a Plan only "[a]fter notice and a hearing and for cause." Debtor's Motion ignores these requirements, providing instead that Claim holders can change their votes simply by filing a timely, superseding ballot:

> If a holder of a Claim casts more than one Ballot voting the same Claim(s) before the Voting Deadline, the last dated valid Ballot received on or before the Voting Deadline shall be deemed to reflect the voter's intent, and thus, to supersede any prior Ballot.

Motion at ¶ 78(a). Allowing claimants to change their votes merely by filing superseding ballots is inconsistent with this Rule. *See In re Imerys Talc America, Inc.,*2021 WL 4786093, at *5–6 (Bankr. D. Del. Oct. 13, 2021). In *Imerys*, the bankruptcy court assessed the validity of allegedly superseding votes filed by three different plaintiffs' firms, all of which changed their votes from rejecting to accepting the plan. The court expressly rejected the contention that the votes were entitled to a presumption of having been changed for cause:

> Debtors argue that the Order requires Prime Clerk to count the last-dated ballot received before or after the Voting Deadline if Debtors consent, which they did. Taken together with the rebuttable presumption of cause within the meaning of

> Rule 3018, Debtors argue that the Solicitation Procedures allow claimants to file superseding ballots before or after the Voting Deadline and obviate the need for the filing of a Rule 3018 motion. . . . The creation of the presumption in the Solicitation Procedures arguably runs counter to Rule 3018. **There is no general entitlement to change a vote once cast. Bankruptcy Rule 3018(a) only permits a change "for cause." The overarching concern underlying Rule 3018 is that any vote change not be "improperly motivated," a proposition that requires both an explanation and scrutiny. The presumption created in the Solicitation Procedures requires neither; nor is there any logical nexus between Fact A (the change of vote) and Fact B (cause, or a proper motivation).**

Id. at *5–6 (emphasis added). The balloting procedures here attempt to create a similar, prohibited presumption of cause without any actual showing of cause as Rule 3018(a)(3) requires.

Second, the Motion impermissibly allows Debtor in its sole discretion to extend the voting deadline for Claimants of Debtor's choosing. Debtor's Motion seeks to establish a Voting Deadline of October 19, 2026 at 5:00 p.m. Eastern Time (Motion at ¶ 2), yet permits the Debtor to count late ballots at its sole discretion. *See* Motion at ¶ 81(v) (barring late ballots "unless the Debtor shall have granted in writing an extension of the Voting Deadline with respect to such Ballot (or vote)"); Disclosure Statement at § 2.4(a) (providing for rejection of ballots received "after the Voting Deadline, unless the Debtor shall have granted, or the Court shall have ordered, an extension of the Voting Deadline in writing with respect to such Ballot, and any such extensions shall be documented in the Voting Certification").

Allowing Debtor unilaterally to decide which untimely votes count (and which do not) would essentially put the counting of votes in Debtor's sole discretion, without any mechanism for oversight to protect against the appearance of favoritism or undue influence. Rule 3017(c) provides that it is the Court, not Debtor or another interested party, that must set a voting deadline. To hold otherwise would open the voting process up for potentially substantial accusations of abuse, and Debtor has offered no rationale for departing from the established rule.

Third, the Motion asks this Court to afford Debtor unchecked discretion to waive substantive defects to ballots. In its Motion, Debtor requests the ability to "waive any defects or irregularities as to any particular Ballot at any time, either before or after the close of voting, and any such waivers shall be documented in the Voting Certification." Motion at ¶ 78(i). Such a provision would allow Debtor to permit Claim holders to avoid critical voting requirements that are essential to the integrity of the voting process—including those intended to ensure that those casting ballots certify under penalty of perjury that they have valid claims against Debtor. There is no basis for that discretion to undermine the requirement that votes be cast by or on behalf of persons certifying under penalty of perjury that they are holders of Claims – particularly when Direct Talc Claimholders are not required to file proofs of claim in this chapter 11 case and there is no requirement that Debtor exercise its discretion evenhandedly independent of whether a ballot is cast to accept or reject the Plan.

Fourth, Debtor further seeks authorization "to enter into stipulations or other agreements with the holder of any Claim or Interest agreeing to the amount of a Claim or Interest for voting purposes." Motion ¶ 78(m). Debtor's proposed solicitation procedures set the value of each ballot equally at $1.00. That equality is necessary here, where there are no subclasses among the Talc Claims and no evidence that any particular Claim will be valued at more or less than any other. In the absence of cause to treat otherwise similar claims differently, granting Debtor unilateral discretion to afford greater voting power to some Claims is inherently subject to the appearance of abuse to manipulate the dollar values of votes being cast so as artificially to generate an accepting class.

All of the discretion that Debtor proposes be afforded to it with respect to the voting procedures, at a minimum, create an appearance of a potential for abuse, and do not comply with

the Bankruptcy Rules that make this Court, not Debtor, the arbiter of the balloting process, setting deadlines and determining which votes properly count. The exercise of these discretionary measures should at least be a matter of record so that they can be challenged if there is an appearance of an adverse material effect on the solicitation process. Debtor's proposed order suggests that it will identify some of these deviations from the generally applicable rules. But merely identifying nonconforming accepted ballots is not sufficient; the parties need to be able to understand *why* Debtor agreed to accept nonconforming votes, so that parties can assess whether to challenge those determinations.

To the extent that the Court allows Debtor to exercise discretion over any such determinations, the Court should (i) require the Solicitation Agent to record all such changes in the Voting Certification, and (ii) require Debtor to file a notice supporting the justification for each change no later than two business days after the filing of the Voting Certification. This is consistent with the requirement that courts have adopted in similar cases.

F. Objection VI – the proposed confirmation schedule is unreasonable.

Finally, Debtor's proposed confirmation schedule is unreasonable. Debtor proposes to file the Plan Supplement, including the Trust Documents, on September 28, 2026. These documents are critical; parties in interest (including Objecting Insurers) cannot understand fully how the Plan works, how Talc Claims are to be resolved, and how their rights are affected without those documents. Plan Objections would be due, however, just four weeks later, on October 26, 2026.[6]

[6] Holders of Talc Claims would have even less time to vote. Debtor's proposed voting deadline is October 19, 2026, meaning creditors would only have 21 days to vote from the time that they receive the documents that actually describe how their Claim will be resolved.

That schedule is inadequate. It does not take account at all of the prospect that confirmation is likely to be contested and that document and deposition discovery may be appropriate. An appropriate schedule needs to allot adequate time for those proceedings.

That is particularly true here, where the case is complex and there are likely to be myriad issues of good faith that are inherently matters of fact that will require document and potentially deposition testimony as well:

- Objecting Insurers need adequate time to explore the alleged assignment of insurance rights baked into the Plan. Discovery on this issue is critical because Objecting Insurers entered into the CIP Agreements with the understanding that all parties—including Debtor—would perform to ensure that there continues to be a vigorous defense for Talc Claims. Objecting Insurers therefore have a vested interest in understanding whether the Plan will live up to that guarantee.

- Discovery will also be needed to understand the mechanisms that the Liquidating Trust and the Trustee will use to comply with obligations under the CIP Agreements as well as the insurers' respective policies. The CIP Agreements impose both administrative and financial commitments for Debtor and Objecting Insurers on a going-forward basis. To the extent that the Plan and Trust Documents contemplate that the Liquidating Trust will fulfill those obligations, discovery concerning the feasibility of the Plan is highly relevant.

- Likewise, Objecting Insurers likely will need discovery concerning the TDPs relating to treatment of Direct Talc Claims under the Plan. This includes how Debtor arrived at that treatment and whether the TDPs are being offered in good faith. Discovery on these issues cannot begin in earnest in the absence of the Trust Documents.

- Objecting Insurers also will need discovery concerning the treatment of Indirect Talc Claims under the Trust Documents. Objecting Insurers filed timely proofs of claim to assert claims for contribution, subrogation, or other equitable reimbursement under the terms of their policies and/or the CIP Agreements. Those claims are contingent on payment of amounts allocable to Debtor, and many of the Insurers and Debtor have stipulated to withdraw those proofs of claim, without prejudice, such that those Insurers have reserved the right to seek to reassert those claims should they become noncontingent on account of payment of Talc Claims. Objecting Insurers are nonetheless entitled to understand the basis for treatment of Indirect Talc Claims under the Plan.

- Finally, Objecting Insurers should also be permitted to take discovery of any witnesses (fact or otherwise) that Debtor intends to offer in support of confirmation, including as evidence of good faith.

Courts have recognized that the type of truncated schedule that Debtor has proposed here is inadequate in the mass tort context—even for smaller cases. *See, e.g., In re Lloyd E. Mitchell, Inc.*, 373 B.R. 416, 428 (Bankr. D. Md. 2007) (affording 90-day discovery period for discovery and plan objections following disclosure statement approval). Here, discovery cannot even begin in earnest because the Trust Documents—which are critical to the treatment of both Talc Claims and Objecting Insurers' rights—have not been produced.

Accordingly, to the extent that the Court is inclined to approve the Disclosure Statement in its current, incomplete form, the Court should set a schedule that affords a realistic schedule for discovery from the time when the critical documents are produced, such as the following:

Event	Date
Disclosure Statement Hearing	September 14, 2026
Deadline to produce (1) Proposed Confirmation Order and (2) Plan Supplement, including Trust Documents	September 28, 2026
Voting Deadline	October 30, 2026
Fact Discovery Deadline	November 30, 2026 (or a minimum of 60 days following disclosure of the Plan Supplement).
Confirmation Objection Deadline	December 14, 2026 (or a minimum of 75 days following disclosure of the Plan Supplement).
Confirmation Brief, Proposed Confirmation Order and Confirmation Objection Reply filing deadline	January 15, 2027
Proposed Confirmation Hearing	January 25, 2027 or as soon thereafter as the Court is available

This schedule is a realistic request in light of the demands of this case. For example, potential objectors must be afforded some time after the disclosure statement is approved to serve their discovery. Once discovery responses are served and documents are produced, potential

objectors need a reasonable time to review and analyze the responses and produced documents. It is not uncommon for objectors to serve motions to compel and then to wait for supplemental responses ordered by the court to be served and additional documents to be produced. Then, fact depositions must be scheduled and taken. After that, the parties must be afforded the opportunity to identify experts and take expert discovery. It would be unreasonable to require plan objections to be served before all discovery is completed. The time frame that Objecting Insurers propose for discovery and briefing objections is minimal and, in fact, is shorter than has been adopted in many other mass tort cases. To the extent that there are potential objections that can be resolved through consensual modifications, this schedule also affords Debtor and other parties in interest the opportunity to try to narrow, if not eliminate, potential objections.

Moreover, prejudice to the Debtor—if any—is minimal and is outweighed by the concerns of fairness and due process. Debtor has sold essentially all of its substantial assets, excepting insurance, and does not intend to continue to engage in conducting a business. The Plan contemplates that Debtor will wind down and dissolve the company. There is no business that will be at risk of failing in the absence of a rush to emerge from bankruptcy, and no risk to any exit financing, so there is no basis to deny Objecting Insurers and other potential objectors due process and a fair opportunity at reasonable discovery.

IV. Conclusion

For the foregoing reasons, the Objecting Insurers respectfully request that the Court decline to approve the Disclosure Statement.

Dated: September 4, 2026

Respectfully submitted,

/s/ Jacob C. Cohn

Jacob C. Cohn
PLEVIN & TURNER LLP
1701 Pennsylvania Ave., N.W., Suite 200
Washington, DC 20006
Phone: (202) 580-6640
Email: jcohn@plevinturner.com

George R. Calhoun, V (pro hac vice motion forthcoming)
PLEVIN & TURNER LLP
1701 Pennsylvania Ave., N.W., Suite 200
Washington, DC 20006
Phone: (202) 580-6640
Email: gcalhoun@plevinturner.com

Mark D. Plevin (pro hac vice motion forthcoming)
PLEVIN & TURNER LLP
580 California Street, Suite 1200
San Francisco, California 94104
Phone: (202) 580-6640
Email: mplevin@plevinturner.com

Attorneys for Century Indemnity Company, and Pacific Employers Insurance Company

/s/ Michael Smith

Michael J. Smith, Esq. (pro hac vice forthcoming)
STEWART SMITH
300 Four Falls Corporate Center, Suite 670
West Conshohocken, Pennsylvania 19428
Email: msmith@stewartsmithlaw.com

George R. Calhoun, V (pro hac vice motion forthcoming)
PLEVIN & TURNER LLP
1701 Pennsylvania Ave., N.W., Suite 200
Washington, DC 20006
Phone: (202) 580-6640
Email: gcalhoun@plevinturner.com

Attorneys for TIG Insurance Company and Everest Reinsurance Company

/s/ Joshua D. Weinberg
Joshua D. Weinberg
RUGGERI PARKS WEINBERG LLP
1875 K Street NW, Suite 800
Washington, DC 20006
Phone: (202) 469-7754
Email: jweinberg@ruggerilaw.com

Counsel for Hartford Accident and Indemnity Company, First State Insurance Company, and Twin City Fire Insurance Company

/s/ Joshua W. Cohen
Joshua W. Cohen (pro hac vice)
DAY PITNEY LLP
195 Church Street, 15th Floor
New Haven, CT 06510
Phone: (203) 752-5000
Email: jwcohen@daypitney.com

Counsel for The Travelers Casualty and Surety Company

/s/ John S. Favate
John S. Favate, Esq.
HARDIN KUNDLA MCKEON & POLETTO, P.A.
673 Morris Avenue
Springfield, NJ 07081
Phone: 973-912-5222
Fax: 973-912-9212
Email: jfavate@hkmpp.com

Counsel for CoAction Specialty Management Company, Inc. as Managing General Agent and Attorney-In-Fact for Employers Mutual Casualty Company to the extent of its participation in the Mutual Marine Office