Docket #1030 Date Filed: 10/13/2026

THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
Vanderbilt Minerals, LLC,[1]	Case No. 26-60110 (WAK)
Debtor.	

JOINDER OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE DEBTOR'S REPLY IN SUPPORT OF THE MOTION OF DEBTOR 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

[1] The Debtor is Syracuse Minerals, LLC (f/k/a Vanderbilt Minerals, LLC) (EIN 13-1432885). The Debtor's noticing address in this chapter 11 case is 33 Winfield Street, Norwalk, Connecticut 06855.

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The Official Committee of Unsecured Creditors (the "Committee") in the above-captioned chapter 11 case of Syracuse Minerals, LLC (f/k/a Vanderbilt Minerals, LLC) (the "Debtor"), by and through its undersigned counsel, respectfully submits this joinder (the "Joinder") to the Debtor's reply [Dkt. No. 1029] (the "Debtor's Reply") in support of its *Motion of Debtor 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* (Dkt. No. 859) (the "Solicitation Procedures Motion") in support of approval of the *Amended Disclosure Statement for Chapter 11 Plan of Liquidation of Vanderbilt Minerals, LLC* [Dkt. No. 963] (the "Disclosure Statement") in connection with the Debtor's *Chapter 11 Plan of Liquidation of Vanderbilt Minerals, LLC* [Dkt. No. 962] (the "Plan"), and in response to the objections (primary and supplemental) of certain insurers (collectively, the "Objecting Insurers") [Dkt. Nos. 913, 916, and 1017]; of R.T. Vanderbilt[2] [Dkt. No. 1016]; and of VM Buyer[3] [Dkt. No. 1025] (all together, the "Objections"). In support of this Joinder, the Committee respectfully states as follows.

JOINDER

1. As a Plan Proponent,[4] the Committee supports approval of the Disclosure Statement, and joins in the relief sought by the Debtor. The Committee's support for the Plan is driven by a recognition that a Liquidation Trust designed to pursue recoveries for creditors should be established as soon as feasible to minimize further administrative expense in this case. The

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2 "R.T. Vanderbilt" shall refer to R.T. Holding Company, Inc. and its direct and indirect subsidiaries other than the Debtor.

3 "VM Buyer" shall refer to VM Buyer LLC.

4 All capitalized terms not otherwise defined herein shall have the meanings ascribed to them under the Plan.

Disclosure Statement, as modified,[5] provides adequate information to allow creditors entitled to vote on the Plan to do so and the proposed Solicitation Procedures are fair and provide a reasonable process for creditors to vote on the Plan.

2. While several non-voting constituencies have raised arguments as to whether the liquidating plan proposed by the Debtor and the Committee is confirmable, those arguments, by definition, can be raised at the confirmation hearing, lack merit, and are not ripe for adjudication at the disclosure statement stage in any event. The Committee and the Debtor are prepared to address those arguments at the appropriate time. In the interim, the Debtor has worked to address the concerns of the parties through proposed amendments to the Disclosure Statement, which the Committee supports.

3. The Committee joins in the Debtor's Reply and submits this Joinder to supplement the Debtor's Reply with respect to three issues: (i) the Objecting Insurers lack standing to object to the Disclosure Statement and the Solicitation Procedures; (ii) the Objecting Insurers' objections to the Plan's confirmability lack merit and are not appropriately raised at the disclosure statement phase; and (iii) to respond to certain objections raised by R.T. Vanderbilt and VM Buyer, respectively.

4. For the reasons set forth in the Debtor's Reply and herein, the Court should overrule the Objections and grant the relief requested in the Solicitation Procedures Motion so that this case may proceed expeditiously to solicitation and confirmation

[5] The Committee understands that the Debtor will be filing a robust reply, including a chart of proposed modifications to the Disclosure Statement to address the legitimate concerns of the objecting parties.

ARGUMENT

I. The Insurers Lack Standing To Object To The Disclosure Statement (Or Plan At This Stage).

5. As a threshold matter, the Objecting Insurers lack standing to object to the Disclosure Statement and Solicitation Procedures because they are not creditors entitled to vote on the Plan. The adequate disclosure standard exists to protect voting creditors, and the Objecting Insurers here are not voting creditors. Even assuming the Objecting Insurers are parties in interest under 11 U.S.C. § 1109(b) who "may raise and may appear and be heard on any issue in a case under this chapter[,]" that still does not provide the Objecting Insurers with "a vote or a veto in the[se] proceedings," particularly when it comes to issues affecting creditors generally. *Truck Ins. Exch. v. Kaiser Gypsum Co., Inc*., 602 U.S. 268, 284 (2024).

6. Regardless of whether the Objecting Insurers are parties in interest under section 1109(b), they still have to "satisfy the general requirements of the standing doctrine" to have standing to object here to the Disclosure Statement. *In re Quigley Co.*, 391 B.R. 695, 703 (Bankr. S.D.N.Y. 2008) (citation and quotations omitted); *see also In re Roman Cath. Diocese of Syracuse*, 665 B.R. 866, 875 (Bankr. N.D.N.Y. 2024) ("[N]either § 1109(b) nor the *Truck* holding satisfies or replaces constitutional and prudential standing requirements."). After all, "Congress cannot statutorily manufacture Article III standing" and relieve parties seeking a federal judicial determination from establishing an injury in fact. *Kamal v. J. Crew Grp.*, 918 F.3d 102, 110–11 (3d Cir. 2019) (citing *Spokeo, Inc. v. Robins*, 578 U.S. 330, 338 (2016)).

7. Here, the Disclosure Statement and Solicitation Procedures cannot possibly result in an actual or imminent concrete invasion of any legally protected interests the Objecting Insurers might have. *See, e.g., In re Combustion Eng'g., Inc.*, 391 F.3d 190, 217 (3d Cir. 2004) (insurers have standing "to challenge a provision of the Plan only if that provision 'diminishes their property,

increases their burdens, or impairs their rights'") (citation omitted); *In re Diocese of Camden, N.J.*, No. 20-21257, 2022 WL 3369087, at *5 (Bankr. D.N.J. Aug. 12, 2022) ("[T]he Insurers have not demonstrated that they have any legally protected interest related to the . . . solicitation and voting procedures of the Plan . . . The Insurers are not voting creditors, and their claims are not impaired and therefore [they] have no legally protected interest in the classification, treatment, or solicitation of other creditors."). Indeed, the Objecting Insurers raise disclosure-related concerns that implicate a supposed lack of information only for talc claimants and other unsecured creditors entitled to vote, whose interests are adequately represented by their own counsel and the Committee, not the Objecting Insurers.

8. The Objecting Insurers' confirmation objections fare no better. Their arguments concern the treatment of Talc Claims, which they do not hold. And nowhere do they indicate any pecuniary or other interest of theirs that is impacted by the treatment of Talc Claims. Nothing in the Plan obligates any Objecting Insurer to provide coverage for any claim, whether it is paid or otherwise. Consequently, the Objecting Insurers have not set forth any standing to make their confirmation objections at this stage either.

II. The Objecting Insurers' Confirmation Objections Are Not Ripe And Lack Merit In Any Event.

9. "Ordinarily, confirmation issues are reserved for the confirmation hearing, and not addressed at the disclosure statement stage." *In re Am. Cap. Equip., LLC*, 688 F.3d 145, 153–54 (3d Cir. 2012). A court may address a confirmation issue at the disclosure-statement stage only where "it is obvious at [such] stage that a later confirmation hearing would be futile because the plan described by the disclosure statement is patently unconfirmable." *Am. Cap. Equip.* 688 F.3d at 154. "A plan is patently unconfirmable where (1) confirmation defects cannot be overcome by creditor voting results and (2) those defects concern matters upon which all material facts are not

in dispute or have been fully developed at the disclosure statement hearing." *Id.* at 154–55 (cleaned up). The Objecting Insurers therefore must establish, on the face of the Plan and a fully developed, undisputed factual record, that the Plan "could not possibly be confirmed." *In re Monroe Well Serv., Inc.*, 80 B.R. 324, 333 (Bankr. E.D. Pa. 1987). They have not done so here

10. The Objecting Insurers argue that the Plan is patently unconfirmable. Objecting Insurers' Objection at 7-15. Notably, just last year in *In re AIO US, Inc.*, 677 B.R. 509 (Bankr. D. Del. 2025), a similar plan was confirmed over virtually identical objections (and more) raised at confirmation. That confirmation has since been affirmed on appeal. *In re AIO US, Inc.*, No. 24-11836 (CTG), 2026 WL 2883795, at *1 (D. Del. Sept. 25, 2026). Consequently, these same objections launched here do not and cannot show that the Plan is patently unconfirmable at this stage (or, indeed, at any stage) of these proceedings.

11. Even were such objections appropriate at this stage, the Objecting Insurers' contentions lack merit. For example, the Objecting Insurers argue that the Plan fails to conform to the Bankruptcy Code because it (i) "permits the allowance and payment of unfiled Talc Claims" and (ii) "authorizes the Liquidating Trustee to allow and disallow Talc Claims." Objecting Insurer Objection at 9-15. Each of these arguments were recently rejected by the Bankruptcy Court and District Court in *In re AIO*. *See* AIO, 677 B.R. at 555-556, 558; AIO, 2026 WL 2883795 at *8-9. They lack merit here too, and the Objecting Insurers cite no authority accepting any of these arguments in this Circuit or elsewhere.

12. On the first point, these Objecting Insurers essentially argue that no claim may vote or receive a distribution except to the extent that the holder has filed the claim and the full allowance proceedings have taken place. This argument is anathema to modern bankruptcy practice in mass tort cases like this one. What is more, notwithstanding their hyper-technical

reading of certain selected Bankruptcy Code and Federal Rule of Bankruptcy Procedure (the "Bankruptcy Rule") provisions, the Objecting Insurers ignore, among other things, that the Bankruptcy Code and Bankruptcy Rules contemplate claim allowance outside of filing a claim form under section 502(a): e.g., section 502(c) and Bankruptcy Rule 3018.

13. As for the second point – which bears on the first – nothing in the Bankruptcy Code prevents the Court from confirming a Plan that sets up a post-confirmation trust and permits the trustee to process, evaluate, and liquidate claims against the Debtor in accordance with plan and trust documents. In fact, courts routinely confirm plans with those features. *See AIO*, 677 B.R. at 557 ("It is now unexceptional for a bankruptcy court to confirm a chapter 11 plan that leaves the liquidation of estate assets (not just the causes of action contemplated by § 1123(b)(3)(B)), and the resolution of claims against the estate, to a post-confirmation trust. . . . This type of provision fits squarely within the catch-all of § 1123(b)(6)."); *see also, e.g.*, *In re Boy Scouts of Am. & Delaware BSA, LLC,* 642 B.R. 504, 541-42 (Bankr. D. Del. 2022) (approving substantively identical finding); *see also* Findings of Fact and Conclusions of Law Confirming Debtors' First Amended Joint Consolidated Plan of Reorganization, at 42, *In re USN Commc'ns, Inc.*, No. 1:99-bk-00383 (Bankr. D. Del. Mar. 15, 2000), Dkt. No. 624 (confirming a plan that provided that "the Liquidating Trust shall have the exclusive power, on behalf and in the name of the Debtors, to prosecute, defend, compromise, settle and otherwise deal with all such Liquidating Trust Assets"); Liquidating Trust Agreement, Ex. A to Second Amended Combined Disclosure Statement and Plan, at 71, *In re ON Marine*, No. 20-20007-CMB (Bankr. W.D. Pa. Feb. 1, 2023), Dkt. No. 1377 (same); Order Confirming Plan of Liquidation of Rapid-American Corporation and Approving Certain Insurance Settlement Agreements, at 3, *In re Rapid-American Corp.*, No. 13-10687 (Bankr. S.D.N.Y. Sept. 13, 2021), Dkt. No. 1630 (same); Order Confirming Second Amended Plan of Liquidation, at 40,

In re Oakfabco, Inc., 15-27062 (Bankr. N.D. Il. Apr. 11, 2019), Dkt. No. 805 (same); *In re CFB Liquidating Corp.*, 2012 WL 3929289, at *4 (Bankr. N.D. Cal. Sept. 7, 2012) (same). The weight of authority supports the proposed Plan with respect to these issues. The Objecting Insurers' efforts to create delay in this case should be rejected and creditors should be able to vote on the proposed Plan.

III. R.T. Vanderbilt's Objections Similarly Lack Ripeness and Merit

14. As an initial matter, the Debtor's parent R.T. Vanderbilt objects to the Solicitation Procedures Motion, contending that the Plan violates the plain terms of the Court-approved settlement agreement between the Debtor and R.T. Vanderbilt (the "Settlement Agreement," and the Order approving such agreement, the "Settlement Order"), which is the subject of a pending appeal with the United States District Court for the Northern District of New York (the "District Court," and such appeal, the "Settlement Appeal"). As discussed below, this objection (and the others raised by R.T. Vanderbilt) do not warrant denial of the Solicitation Procedures Motion.

A. R.T. Vanderbilt's Appeal-Related Objections Do Not Pass Muster.

15. *First*, R.T. Vanderbilt contends that the Plan improperly removes the Debtor's independent manager and his counsel, Katten Muchin Rosenman LLP, from their existing roles even though the Debtor allegedly agreed to continue defending the Settlement Appeal.

16. While the Committee disputes this assertion, the issue is premature at this stage. Whether the Plan is consistent with the Settlement Agreement requires the Court to resolve disputed questions of contract interpretation and to determine the legal effect of various Plan provisions and the validity of the May 2026 letter agreement that was entered after the Settlement Order – issues that arguably go to confirmation, not the adequacy of the Disclosure Statement. At this stage, the Court need only determine whether creditors are provided with adequate information

to make an informed judgment regarding the Plan. *See, e.g., In re E. Gluck Corp.*, No. 25-12683 (MG), 2026 WL 1431165, at *5 (Bankr. S.D.N.Y. May 20, 2026) (explaining that a hearing on the adequacy of a disclosure statement "should be limited to disclosure issues."); *In re Avianca Holdings S.A.*, 632 B.R. 124, 132 (Bankr. S.D.N.Y. 2021) (explaining that, at the disclosure statement stage, the "issue […] is the adequacy of disclosure" and finding adequate disclosure while reserving objections to the challenged plan provision for confirmation).

17. *Second*, R.T. Vanderbilt argues the Plan attempts to dictate the effect of confirmation on the Settlement Appeal, including by requiring the Debtor to waive equitable mootness arguments under Section 12.15. That is incorrect.

18. R.T. Vanderbilt fundamentally misconstrues Section 12.15 of the Plan. The provision does not ask this Court to opine on the outcome of the Settlement Appeal, dictate the authority of a reviewing court, or predetermine the remedy available on appeal. Rather, it merely reflects an agreement between the Debtor, the Independent Manager, and the Committee regarding their respective rights, obligations, and conduct in connection with the pending appellate proceedings.

19. In other words, nothing in Section 12.15 prevents an appellate court from granting any relief it finds appropriate or from reaching conclusions inconsistent with the Plan Proponents' agreement. Nor does Section 12.15 of the Plan impair or otherwise hinder R.T. Vanderbilt's rights to defend the Appeals. *See* Plan § 12.15 ("Nothing in this Plan, the Plan Documents, the Confirmation Order, any finding of fact or conclusion of law with respect to the Confirmation of this Plan, or the occurrence of the Effective Date, shall […] impair any Non-Debtor Affiliates' or the Buyer's standing to defend the Appeals.").

20. *Third*, and in a similar vein, R.T. Vanderbilt asserts that the Debtor and the Committee are attempting to pre-determine what happens post-appeal if the Settlement Order is modified or reversed. But Section 12.15 does not purport to establish the legal consequences of any future appellate ruling. Rather, it reflects the Plan Proponents' agreement regarding how they will proceed under the Plan notwithstanding the pendency of the Appeals and recognizes that appellate proceedings may continue post-confirmation.

21. In substance, R.T. Vanderbilt's objection is not that creditors lack information regarding the Plan, but that it disagrees with the agreement embodied in Section 12.15. That disagreement, however, does not render the Disclosure Statement inadequate. Creditors are fully informed that the Appeals remain pending, that Section 12.15 addresses the parties' conduct with respect thereto, and that the ultimate outcome of the appellate proceedings remains uncertain. To the extent questions may arise following any future appellate ruling, those questions can be resolved at that time by the appropriate court and do not provide a basis to withhold approval of the Disclosure Statement.

B. <u>The Plan Is Confirmable</u>.

i. R.T. Vanderbilt's Administrative Insolvency Argument is Both Premature and Not Supported by the Evidentiary Record.

22. Contrary to R.T. Vanderbilt's contention, the Plan is confirmable. R.T. Vanderbilt's argument rests on the premise that the Debtor breached its Settlement Agreement with R.T. Vanderbilt and further assumes that any resulting claim by R.T. Vanderbilt would be allowed as an administrative expense in an amount sufficient to render the Debtor administratively insolvent and the Plan infeasible. R.T. Vanderbilt, however, offers no evidence to support this assertion, relying instead on conclusory allegations and speculation.

23. It goes without saying that this speculation does not render the Disclosure Statement inadequate. To the extent R.T. Vanderbilt contends that the Debtor is administratively insolvent or that the Plan is not feasible because of potential administrative claims stemming from the Debtor's alleged breach of the Settlement Agreement, those arguments raise confirmation issues rather than disclosure issues and should be reserved for Plan confirmation. *See In re Great Circle Park LLC*, No. 25-11767 (MG), 2026 WL 1649785, at *6 (Bankr. S.D.N.Y. June 5, 2026) ("Matters to be addressed at a hearing on the adequacy of a disclosure statement should be limited to disclosure issues. Accordingly, any issues raised that are functionally premature plan objections are more appropriately evaluated at a hearing on confirmation.") (citing 7 Collier on Bankruptcy § 1125.03 (16th ed. 2023) ("At disclosure statement hearings, courts should refuse to hear issues that are confirmation rather than disclosure issues, such as classification of claims, feasibility ... or whether a plan is fair and equitable."); *In re Foxwood Hills Prop. Owners Ass'n, Inc*., No. CV 20-02092-HB, 2021 WL 3059716, at *5 (Bankr. D.S.C. June 1, 2021) (same)).

24. Here, R.T. Vanderbilt's administrative insolvency theory rests on several disputed and unresolved issues, which, at best, relate to confirmation and are not relevant to assessing whether a disclosure statement contains "adequate information" in accordance with 11 U.S.C. § 1125. *See, e.g., In re Quigley Co., Inc*., 377 B.R. 110, 119 (Bankr. S.D.N.Y. 2007) (approving the disclosure statement while acknowledging that settlements with the debtors' non-debtor former parent "implicate several confirmation issues"); *In re Hyatt*, 509 B.R. 707, 711 (Bankr. D.N.M. 2014) (approving the disclosure statement because questions about the debtor's proposed classification scheme "require[d] additional evidence that may be presented at a confirmation hearing" and, therefore, the "proposed classification scheme does not render the [p]lan patently unconfirmable as a matter of law").

25. And while R.T. Vanderbilt is free to assert any claims it contends arise from the Debtor's alleged breach of the Settlement Agreement, those claims depend upon obligations purportedly created by an unapproved letter agreement, the enforceability and effect of which remain disputed. *See, e.g., In re Crystal Apparel, Inc*., 220 B.R. 816, 829 (Bankr. S.D.N.Y. 1998) ("A Chapter 11 debtor in possession's transactions other than those in the ordinary course of business must be authorized by the court after notice and a hearing.") (citing 11 U.S.C. § 363(b); *In re Dant & Russell, Inc*., 853 F.2d 700, 704 (9th Cir. 1988); *In re Waterfront Co., Inc. v. First Street Co*., 56 B.R. 31, 34 (Bankr. D. Minn. 1985)). Thus, the existence, validity, and treatment of any resulting claim can be adjudicated at confirmation and do not render the Plan patently unconfirmable.

26. Moreover, R.T. Vanderbilt's suggestion that the Committee will deplete $11 million of estate funds pursuing appellate litigation ignores the broader purpose and structure of the Plan. The Plan and Disclosure Statement contemplate that the Debtor will have approximately $11 million in cash on the Effective Date, which, together with the Debtor's Insurance Rights and Retained Causes of Action, will be transferred to the Liquidation Trust. The Liquidation Trust is tasked with liquidating and maximizing the value of those assets – including pursuing insurance recoveries – to maximize recoveries for creditors. *See* Plan §§ 5.3(ii) (providing that the Liquidation Trustee shall be authorized to carry out the "Authorized Acts," which includes liquidating the "VLT Assets[6]"); 9.1(ix) (requiring as a condition precedent to the Plan's

[6] "***VLT Assets***" means, collectively, all Assets of the Debtor and/or the Liquidating Debtor as of the Effective Date and, if the Global Settlement Order is overturned or vacated, any Causes of Action that are restored to the Debtor or the Estate. For the avoidance of doubt, VLT Assets shall exclude any Assets transferred, or required to be transferred (whether or not subject to any contingencies that remain to be satisfied), to the Buyer pursuant to the Sale Order and the Asset Purchase Agreement. *See* Plan § 1.1.

effectiveness that "the VLT Operative Reserve shall be funded in the VLT Operating Reserve Amount, which amount shall not be less than $11,000,000").

27. Accordingly, the Plan contemplates the use of estate resources to fund the Liquidation Trust's efforts to generate and distribute value for creditors, including substantial potential insurance recoveries, and not merely to finance the Committee's appellate efforts.

ii. The Plan Does Not Limit the Power of the Appellate Courts and Would Not Create an Impermissible Advisory Opinion.

28. R.T. Vanderbilt's assertion that Section 12.15 of the Plan seeks to predetermine the relief that may be granted in the Settlement Appeal misconstrues both the purpose and effect of the provision. Section 12.15 does not purport to bind the District Court, dictate the consequences of a reversal, or otherwise constrain the remedies available on appeal.

29. Without belaboring the point, Section 12.15 simply reflects an agreement among the Debtor, the Independent Manager, and the Committee regarding their own respective rights and obligations during the pendency of the Appeals. Whether the Settlement Order is affirmed, modified, reversed, or remanded remains solely a matter for the appellate court, and any dispute regarding the consequences of such a ruling is not presently before this Court.

30. Nor does Section 12.15 require this Court to render an advisory opinion regarding the Appeals or any potential appellate outcome. The Court is not being asked to determine what relief would be appropriate if the Settlement Order were later modified or reversed, nor is it being asked to resolve any dispute that may arise following a future appellate ruling. Rather, the relevant inquiry at this stage is whether the Disclosure Statement provides adequate information regarding the parties' agreement and their respective rights and obligations while the Appeals remain pending. Any issues concerning the effect of a future appellate decision, should one occur, can be addressed by the appropriate court at the appropriate time. At bottom, R.T. Vanderbilt challenges

the legal effect and propriety of Section 12.15, not the sufficiency of the information provided to creditors regarding that provision. The Disclosure Statement adequately discloses the existence and substance of the provision, enabling creditors to make an informed judgment regarding the Plan.

iii. The Plan Was Proposed in Good Faith.

31. R.T. Vanderbilt's contention that the Plan was not proposed in good faith is unsupported by the facts and ignores the economic realities of this case. The Debtor sold substantially all of its operating assets months ago and now seeks to implement a liquidating plan designed to efficiently wind down the estate, transfer assets to a Liquidation Trust, and maximize recoveries for creditors.

32. The Plan is therefore directed toward the core objectives of chapter 11 and reflects a good faith effort by the Debtor and the Committee to bring these cases to a timely and cost-effective case conclusion, rather than prolonging them through continued estate administration and the attendant costs. *See Am. Cap. Equip*. 688 F.3d at 156-57 (explaining that § 1129(a)(3)'s good faith requirement focuses on whether the plan will achieve a result consistent with the objectives of the Bankruptcy Code, including the expeditious liquidation and distribution of estate assets to creditors).

33. Nor is Section 12.15 of the Plan a litigation tactic designed to advantage the Committee in the Appeals. Far from providing the Committee with any improper litigation advantage, the provision simply memorializes the agreement between the Debtor and the Committee – one which was designed to facilitate an efficient case resolution that avoids further litigation with the Debtor on a disputed issue.

34. To that point, the provision was the product of arm's-length negotiations among the parties and formed part of a broader agreement that enabled these cases to progress toward confirmation. By facilitating a resolution and avoiding additional litigation over plan confirmation and appellate-related issues, Section 12.15 promotes the efficient administration of the estate and preservation of value for creditors, further demonstrating that the Plan was proposed in good faith. *See In re Sabine Oil & Gas Corp*., 555 B.R. 180, 313 (Bankr. S.D.N.Y. 2016) (finding that the debtor's plan was proposed in good faith in accordance with Section 1129(a)(3) because it was "the product of extensive arm's-length negotiations" and otherwise "reflect[ed] a series of compromises that do not provide for a perfect outcome for any of the Debtors' constituents, but represents a good faith effort to provide the highest available recoveries to the various stakeholders under the totality of the circumstances.").

C. <u>The Disclosure Statement Contains Adequate Information</u>.

35. R.T. Vanderbilt has not identified any disclosure deficiency that warrants withholding approval of the Disclosure Statement. To the extent R.T. Vanderbilt seeks additional disclosure regarding the risks associated with the pending Appeals, the Disclosure Statement is not required to speculate regarding every potential appellate outcome or its consequences. *See In re PC Liquidation Corp*., 383 B.R. 856, 866 (E.D.N.Y. 2008) (explaining that a disclosure statement is not required "to speculate as to future uncertainties, such as the consequences of possible outcomes of pending litigation."); *see also In re CDECO Maritime Const. Inc*., 101 B.R. 499, 501 (Bankr. N.D. Ohio 1989) (holding that a disclosure statement is not the place to argue various theories of recovery of pending litigation or to speculate as to future uncertainties such as consequences of various possible outcomes of pending litigation). Here, the Disclosure Statement discloses the existence of the pending Appeals.

36. The Committee understands that the Debtor will supplement the Disclosure Statement to further address the potential outcomes of those appellate proceedings and their possible impact on the Plan. Any concern regarding the adequacy of the Disclosure Statement's risk disclosures is therefore readily cured.

37. Finally, as noted herein, R.T. Vanderbilt's contention that approximately $11 million is effectively earmarked to finance the Committee's appellate litigation is simply incorrect. The Plan requires funding of the Liquidation Trust so that the Liquidation Trustee can administer estate assets, pursue value-maximizing recoveries, and recover insurance proceeds for the benefit of creditors, as well as administer the claims in accordance with the Trust Distribution Procedures. The Plan does not designate those funds exclusively for appellate litigation, much less grant the Committee unfettered discretion to expend estate resources pursuing the Appeals.

IV. VM Buyer's Objection Are Likewise Premature and Lack Merit.

38. VM Buyer joins in the R.T. Vanderbilt Objection and separately contends that Section 12.15 of the Plan violates the asset purchase agreement, which VM Buyer maintains obligates the Debtor to take all actions necessary to defend against any appeal of the sale. *See* VM Buyer Objection ¶ 3. But, as discussed above, VM Buyer's argument rests on the same flawed premise advanced by R.T. Vanderbilt: whether Section 12.15 of the Plan violates the asset purchase agreement – which the Committee disputes – is an issue properly reserved for adjudication at a later date, and is not otherwise a disclosure issue or a basis to deny approval of the Solicitation Procedures Motion.

39. Likewise, VM Buyer's administrative insolvency arguments are no more appropriately raised at the Disclosure Statement stage than R.T. Vanderbilt's. VM Buyer similarly assumes that Section 12.15 breaches the asset purchase agreement, that such breach gives rise to

an administrative expense claim, that any such claim would be allowed, and that the amount of any allowed claim would be sufficient to render the Debtor administratively insolvent or impair Plan feasibility. Those assumptions remain disputed and speculative and are plainly insufficient to render the Plan unconfirmable. In any event, the Committee understands that the Debtor will supplement the Disclosure Statement to include additional disclosure concerning the risks associated with any future litigation relating to the asset purchase agreement.

40. VM Buyer advances another speculative argument that the Liquidating Trustee will be hopelessly conflicted. But that assertion assumes, without evidentiary support, that the Liquidating Trustee will disregard its independent fiduciary obligations and act solely to advance the Committee's appellate efforts. Such conjecture does not implicate the adequacy of the Disclosure Statement and provides no basis to withhold its approval.

41. Moreover, contrary to VM Buyer's assertion, the Plan expressly preserves VM Buyer's rights to defend against the Appeals. *See* Plan § 12.15 ("Nothing in this Plan, the Plan Documents, the Confirmation Order, any finding of fact or conclusion of law with respect to the Confirmation of this Plan, or the occurrence of the Effective Date, shall […] impair any Non-Debtor Affiliates' or the Buyer's standing to defend the Appeals.").

42. At bottom, VM Buyer's objection is directed at the merits of the Plan, not the sufficiency of the disclosures provided to creditors. In substance, VM Buyer seeks to litigate its interpretation of the asset purchase agreement and its objections to Section 12.15 of the Plan. The Disclosure Statement approval process is intended to ensure that creditors receive adequate information concerning the Plan, not to adjudicate disputed contractual and confirmation-related issues. Accordingly, VM Buyer's objection raises matters that, to the extent they remain relevant,

can be addressed at confirmation and do not provide a basis to deem the Plan unconfirmable at the disclosure statement stage or otherwise.

CONCLUSION

WHEREFORE, the Committee respectfully requests the Court grant the Solicitation Procedures Motion and such other relief as is just and proper.

Dated: October 13, 2026

Respectfully submitted,

BROWN RUDNICK LLP

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