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## 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

Debtors. : (Jointly Administrated)

ALDRICH PUMP LLC, et al.,

Plaintiffs,

v. : Adv. Pro. No. 20-03041

THOSE PARTIES LISTED ON APPENDIX A TO COMPLAINT and JOHN AND JANE DOES 1-1000,

Defendants.

## NON-DEBTOR AFFILIATES' AMENDED MOTION TO FILE CONFIDENTIAL DOCUMENTS UNDER SEAL

Trane Technologies Company LLC ("New TTC") and Trane U.S. Inc. ("New Trane," together with New Trane Technologies, the "Non-Debtor Affiliates"), as parties in interest, by and through their undersigned counsel, pursuant to 11 U.S.C. § 105(a), 11 U.S.C. § 107(b), Rule 9018 of the Federal Rules of Bankruptcy Procedure, Rule 6.1 of the Rules of Practice and Procedure of the United States District Court for the Western District of North Carolina and Section I(1) of the Agreed Protective Order Governing Confidential Information [Main Case Dkt. No. 345] entered on September 23, 2020 ("Protective Order"), hereby file this *Motion for an* 

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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Order Authorizing the Filing of Certain Confidential Documents Under Seal and/or in a redacted format (the "Motion") related to the Non-Debtor Affiliates' Reply Memorandum in Further Support of the Motion of the Debtors for an Order (I) Preliminary Enjoining Certain Actions Against Non-Debtors, or (II) Declaring that the Automatic Stay Applies to Such Actions, and (III) Granting a Temporary Restraining Order Pending a Final Hearing.

## **Background**

- 1. The Non-Debtor Affiliates seek an order permitting them to file under seal seven documents produced in this Adversary Proceeding and portions of the excerpts of four deposition transcripts, which have been designated as "Confidential" pursuant to the Protective Order.
- 2. This Court entered the Protective Order, which the Debtors, the Non-Debtor Affiliates and the Official Committee of Asbestos Personal Injury Plaintiffs executed on September 23, 2020 [Main Case Dkt. 345]. Pursuant to the *Notice of Election of Future Claimants Representative to Become a Party to Modified Protective Order* [Main Case Dkt. 395], the Future Claimants' Representative elected to become a party to the Protective Order on October 15, 2020.
- 3. The Protective Order governs the rights and obligations of the parties to it with respect to "Confidential Information," which is defined as:

[I]nformation, documents, or things produced or provided (formally or informally) by the Disclosing Party that such Disclosing Party or a Designating Party reasonably believes in good faith contains confidential, proprietary or commercially sensitive information including, but not limited to (a) trade secrets, (b) proprietary business information, and (c) information implicating an individual's legitimate expectation of privacy, including medical information and social security numbers. This term shall include information furnished or otherwise disclosed in any manner, including, without limitation, in written form, orally or through any electronic, facsimile or computer-related communication, and also shall include, without limitation, those portions of deposition testimony (whether based upon oral examination or written questions), answers to interrogatories, requests for admissions, responses to requests for admission, notes, summaries, compilations, memoranda, or similar materials disclosing or discussing Confidential Information and (ii) any Oral Confidential Information.

Protective Order at 3-4.

4. With respect to documents, Section C.1 of the Protective Order provides that:

Any information designated as Confidential Information shall be stamped "CONFIDENTIAL" on each page being so designated (if the information is produced in written form) or otherwise conspicuously labeling it "CONFIDENTIAL" (if it is in the form of tape, disc or other form that makes it difficult to label each page). Documents produced in native format may be designated as containing Confidential Information by including the term "CONFID" (or similar term) in the name of the folder in which such file is transmitted. Such designations shall be made at the time such Confidential Information is provided or produced.

5. In the case of depositions, Section C.2 of the Protective Order provides that:

In the case of depositions, if counsel for the Designating Party believes that a portion or all of the testimony given at a deposition constitutes Confidential Information, counsel may so state on the record and request that the entire transcript or relevant portion thereof be sealed. In addition, the Designating Party may also designate the relevant portion of the transcript or videotape of a deposition, and any exhibits thereto, as Confidential Information within 30 days of the Designating Party's receipt of the transcript from the court reporter. Such designation and notice shall be made in writing to the court reporter, with copies to all other counsel of record at the deposition and any Disclosing Party or Designating Party, in the case where the Disclosing Party and Designating Party were not in attendance at the deposition, identifying the portion of the transcript, or exhibits thereto, that constitute items designated as Confidential Information. All pages of the transcript and exhibits designated as Confidential Information shall be stamped "CONFIDENTIAL."

Protective Order at 7.

- 6. The confidential documents to be sealed and/or redacted are as follows:
  - Exhibit T and Exhibits Y through BB to the Reply, consisting of Debtors' Board Meeting Minutes for May 8, June 5, and June 17, 2020 meetings (the "Debtors' Board Minutes"), which the Debtors' have designated as "Confidential" under Section C.1 of the Protective Order.
  - Exhibits N and DD to the Reply, consisting of the Report of Laureen M. Ryan dated February 5, 2021 and Rebuttal Report of Laureen M. Ryan dated February 26, 2021, which the Non-Debtor Affiliates have designated as "Confidential" under Sections C.1 and C.2 of the Protective Order (the "Expert Reports," and together with the Debtors' Board Minutes, the "Confidential Documents").

- Exhibits E, F, S, CC and EE to the Reply, consisting of excerpts from the following deposition transcripts, select portions of which the Non-Debtor Affiliates have designated as "Confidential" under Section C.2 of the Protective Order (the "Confidential Deposition Excerpts"):
  - Exhibit E to the Reply, Excerpted Transcript of the Deposition of Mark Majocha, March 18, 2021, containing proprietary information concerning commercially sensitive business strategies, valuations and information regarding rights to insurance coverage that is not publicly disclosed at 120:3-25, 249:2-12; and
  - Exhibit F to the Reply, Excerpted Transcript of the Deposition of Chris Kuehn, March 19, 2021, containing proprietary and commercially sensitive asbestos liability and insurance asset estimates that are not publicly disclosed at 148:12-19.
  - Exhibit S to the Reply, Excerpted Transcript of the Deposition of Matthew Diaz, which the Committee has not de-designated as Confidential pursuant to Section C.2 of the Protective Order;
  - Exhibit CC to the Reply, Excerpted Transcript of the Deposition of Evan Turtz, April 5, 2021, containing confidential and commercially sensitive testimony regarding internal financial reporting packages that are not publicly disclosed at 130:1-7; and
  - o **Exhibit EE** to the Reply, Excerpted Transcript of the Rule 30(b)(6) Deposition of the Non-Debtor Affiliates (Chris Kuehn), April 9, 2021, containing confidential and commercially sensitive testimony regarding the confidential cash management system of the Trane enterprise and intercompany transactions that is not publicly disclosed at 136:2-25, 193:2-25.
- References to the Confidential Documents and Confidential Deposition Excerpts have been redacted in the body of the Reply.

## **Argument**

- 7. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b).
- 8. The statutory bases for the relief requested herein are 11 U.S.C. § 105(a), 11 U.S.C. § 107(b) and the Federal Rule of Bankruptcy Procedure 9018. Section 105(a) gives this Court authority to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." The Bankruptcy Code authorizes the Court, in appropriate circumstances,

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to issue orders to protect entities from potential harm that may result from the disclosure of Confidential Information. 11 U.S.C. § 107(b). Federal Rule of Bankruptcy Procedure 9018 provides that "[o]n motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of . . . confidential . . . commercial information."

- 9. The documents and testimony that the Non-Debtor Affiliates seek to seal involve confidential, proprietary and commercially sensitive business strategies, valuations, information regarding rights to insurance coverage, and asbestos liability and insurance asset estimates that is not otherwise publicly available. The Debtors and Non-Debtor Affiliates provided the Confidential Documents and Confidential Deposition Excerpts to the FCR and Committee strictly on a confidential basis under the Protective Order. The disclosure of the information provided by the Non-Debtor Affiliates could potentially cause competitive or economic harm to the Non-Debtor Affiliates. *See* Sara Walden Brown Declaration in Support of Non-Debtor Affiliates' Motion to File Confidential Documents Under Seal, ¶ 3-4 attached hereto as Exhibit A.
- 10. The Non-Debtor Affiliates have redacted only the portions of the Confidential Deposition Excerpts that contain commercially sensitive information. The Non-Debtor Affiliates have considered redaction of the Expert Reports, but due to the pervasive nature of the confidential information contained therein, redaction would be impracticable.
- 11. The Non-Debtor Affiliates will work with the Debtors to determine which, if any, of the Debtors' Board Minutes produced by them may be unsealed.
- 12. As provided for in the Protective Order, the Non-Debtor Affiliates will deliver an un-redacted copy of the Confidential Information to the Court.

Wherefore, the Non-Debtor Affiliates respectively request that the Court enter an order, attached hereto as **Exhibit B**, granting the Non-Debtor Affiliates' Motion to Seal.

Dated: April 26, 2021 Respectfully submitted,

/s/ Stacy C. Cordes

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