

quinn emanuel trial lawyers | new york

51 Madison Avenue, 22nd Floor, New York, New York 10010-1601 | TEL (212) 849-7000 FAX (212) 849-7100

WRITER'S DIRECT DIAL NO.
(212) 849-7150

WRITER'S EMAIL ADDRESS
michaelcarlinsky@quinnemanuel.com

December 15, 2020

VIA E-MAIL AND ECF

The Honorable Michael E. Wiles
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, New York 10004-1408

Re: *Honeywell International Inc.'s Tax Treatment for Indemnity Payments*
Garrett Motion Inc. v. Honeywell International Inc., Adv. Proc. No. 20-1223 (MEW)

Dear Judge Wiles:

I write on behalf of Plaintiffs Garrett Motion Inc. and Garrett ASASCO Inc. (the “Debtors”) regarding an issue that arose at the November 18, 2020 hearing on Defendants’ motion to dismiss. During the hearing, this Court questioned that “Honeywell could somehow treat what it pays [to settle the asbestos claims] as a taxable loss without offsetting that by amounts that are paid to it by Garrett, either treating them as income or as reduction of its loss.” *See* 11/18/20 Hr’g Tr. at 50. The Court asked Honeywell’s counsel—“is that what happens?” *Id.* at 51. Honeywell’s counsel stated that it would “make a written submission” to answer that question, but Honeywell has not done so.

The answer to the Court’s question is “yes”—Honeywell deducts settlement payments it makes on asbestos claims, but does not treat the Debtors’ corresponding reimbursement payments as taxable income. In other words, Honeywell receives tax benefits on every asbestos settlement it enters into, and the benefits increase the bigger each settlement is. In Honeywell’s *Responses and Objections to the Debtors’ Second Set of Requests for Production* (“R&O”), Honeywell admitted that it “**does not recognize as taxable income the Debtors’ payments.**” *See, e.g.*, R&O to RFP 47 attached herewith as Exhibit A. “[I]n lieu of [producing] responsive documents,” Honeywell claims that it structured the spinoff such that Honeywell created a \$1.3 billion tax-basis in a “receivable” based on its anticipated receipt of the settlement reimbursement payments from the Debtors. *See id.* Now, according to Honeywell, rather than paying income tax on the Debtors’ settlement reimbursement payments or reducing Honeywell’s deduction by the amount of the reimbursement, Honeywell merely reduces the tax-basis it created in the \$1.3 billion receivable every time it receives a settlement reimbursement payment from the Debtors. *See id.*

Honeywell’s response confirms the Debtors’ allegation that “Honeywell is actually making money on the indemnity agreement because Garrett pays ninety percent [of the settlement payments], but [...] [o]nly Honeywell gets to take a tax deduction for the amount that’s paid.” *See* 11/18/20 H’rg Tr. at 50. For example, if Honeywell pays \$100.00 to settle a claim, and Honeywell

quinn emanuel urquhart & sullivan, llp

LOS ANGELES | NEW YORK | SAN FRANCISCO | SILICON VALLEY | CHICAGO | WASHINGTON
LONDON | TOKYO | MANNHEIM | HAMBURG | PARIS | MUNICH | SYDNEY | HONG KONG



201221220121700000000012

takes a corresponding \$100 deduction for the payment, applying a 25% tax rate, the deduction is worth \$25.00. The Debtors, however, are obligated to reimburse Honeywell \$90.00 of the settlement payment (thus Honeywell is only out-of-pocket \$10.00), and Honeywell neither reduces the \$100 deduction it takes by the \$90.00 reimbursement payment it receives nor does Honeywell pay any income tax on the \$90.00 reimbursement it receives from the Debtors. Thus, Honeywell is incentivized to maximize the amount the Debtors have to reimburse Honeywell to settle the asbestos claims because ***for every \$10.00 Honeywell ultimately pays to settle a claim, Honeywell receives a corresponding tax benefit of \$25.00—a net \$15.00 benefit.*** See Complaint ¶ 144 (“Because the tax benefit to Honeywell is greater than its superficial 10% share of the costs, Honeywell lacks any economic incentive to reduce the Bendix asbestos costs”).

This belies Honeywell’s repeated contentions that its incentives are aligned with Garrett because it purportedly “still retains risk” by being obligated to pay “10% of all claims and defense expenses.” See Hon. MTD Br. at 5 (Doc No. 8); *see also id.* at 25. Honeywell omits its after-tax benefit from these assertions. Thus, even if Honeywell’s tax treatment were appropriate under tax law—which is by no means clear¹—that does not detract from the Debtors’ claims or cure Honeywell’s misstatements about its risk retention and incentives. See 11/18/20 H’rg Tr. at 52:22-25 (noting that even if the tax laws allow this, “why wouldn’t the complaint allege a valid claim of lack of good faith in that sense?”).

Respectfully submitted,


Michael B. Carlsky

cc: All counsel of record (via ECF)

¹ See *Manocchio v. Comm’r*, 710 F.2d 1400, 1402 (9th Cir. 1983) (“It is well established that an otherwise deductible business expense cannot be deducted if it has been reimbursed.”).

EXHIBIT A

Nicole L. Greenblatt, P.C.
Anthony R. Grossi
William E. Arnault (admitted *pro hac vice*)
Joseph M. Graham (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

Craig S. Primis, P.C.
Ronald K. Anguas, Jr. (admitted *pro hac vice*)
Devin S. Anderson (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
1301 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Telephone: (202) 389-5000
Facsimile: (202) 389-5200

Mark McKane, P.C. (admitted *pro hac vice*)
Michael P. Esser (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
555 California St.
San Francisco, California 94104
Telephone: (415) 439-1400
Facsimile: (415) 439-1500

Counsel to Honeywell International Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:) Chapter 11
)
GARRETT MOTION INC., <i>et al.</i> , ¹) Case No. 20-12212 (MEW)
)
Debtors.) (Jointly Administered)
)

**HONEYWELL'S RESPONSES AND OBJECTIONS TO
THE DEBTORS' SECOND SET OF REQUESTS FOR PRODUCTION**

¹ The last four digits of Garrett Motion Inc.'s tax identification number are 3189. Due to the large number of debtor entities in these Chapter 11 cases, for which joint administration has been granted, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <http://www.kccllc.net/garrettmotion>. The Debtors' corporate headquarters is located at La Pièce 16, Rolle, Switzerland.

Pursuant to Rules 26 and 34 of the Federal Rules of Civil Procedure, made applicable by Rules 7026, 7034, and 9014 of the Federal Rules of Bankruptcy Procedure, and the corresponding Local Rules of the United States Bankruptcy Court for the Southern District of New York (“Rules”), Honeywell International Inc. (“Honeywell”), by and through its undersigned counsel, hereby responds and objects to the Requests for Production (“Requests”) served by the Debtors on November 30, 2020. Honeywell is prepared to meet and confer with the Debtors in connection with any of the responses and objections asserted herein. Honeywell further states that it has asserted the responses and objections herein in light of the Court’s directive that the parties should keep their discovery efforts narrow and focused. *See, e.g.*, 11/18/20 Hr’g Tr. at 40:1–5.

HONEYWELL’S SPECIFIC RESPONSES AND OBJECTIONS

REQUEST FOR PRODUCTION NO. 29:

All Documents and Communications Concerning Honeywell’s reporting of \$273 million in receivables from the Tax Matters Agreement, as stated in Honeywell’s 10-Q for the quarterly period ended September 30, 2020, including Documents and Communications sufficient to show the Calculation of that amount and all assumptions or information forming the basis for that amount.

RESPONSE TO REQUEST FOR PRODUCTION NO. 29:

In addition to the General Objections, Honeywell objects to Request No. 29 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents and Communications” concerning Honeywell’s reporting of \$273 million in receivables from the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show the basis and calculation of the \$273 million in receivables from the

Tax Matters Agreement, as stated in Honeywell's 10-Q for the quarterly period ended September 30, 2020.

REQUEST FOR PRODUCTION NO. 30:

All Documents, Calculations, and Communications used to calculate Honeywell's aggregate accumulated post-1986 deferred foreign income from all Specified Foreign Corporations under 26 U.S.C. § 965(a)(1) (i.e., as of the November 2, 2017 measurement date).

RESPONSE TO REQUEST FOR PRODUCTION NO. 30:

In addition to the General Objections, Honeywell objects to Request No. 30 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents, Calculations, and Communications" used to calculate Honeywell's "aggregate accumulated post-1986 deferred foreign income from all Specified Foreign Corporations under 26 U.S.C. § 965(a)(1)."

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 31:

All Documents, Calculations, and Communications used to calculate Honeywell's aggregate accumulated post-1986 deferred foreign income from all Specified Foreign Corporations under 26 U.S.C. § 965(a)(2) (i.e., as of the December 31, 2017 measurement date).

RESPONSE TO REQUEST FOR PRODUCTION NO. 31:

In addition to the General Objections, Honeywell objects to Request No. 31 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents, Calculations, and

Communications” used to calculate Honeywell’s “aggregate accumulated post-1986 deferred foreign income from all Specified Foreign Corporations under 26 U.S.C. § 965(a)(2).”

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 32:

All Documents, Calculations, and Communications used to calculate Honeywell’s aggregate foreign E&P deficit(s) from all E&P Deficit Foreign Corporations under 26 U.S.C. § 965(b).

RESPONSE TO REQUEST FOR PRODUCTION NO. 32:

In addition to the General Objections, Honeywell objects to Request No. 32 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents, Calculations, and Communications” used to calculate Honeywell’s “foreign E&P deficit(s) from all E&P Deficit Foreign Corporations under 26 U.S.C. § 965(b).”

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 33:

All Documents, Calculations, and Communications used to calculate Honeywell’s participation exemption deduction under 26 U.S.C. § 965(c)(1).

RESPONSE TO REQUEST FOR PRODUCTION NO. 33:

In addition to the General Objections, Honeywell objects to Request No. 33 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not

proportional to the needs of the case to search for and produce “All Documents, Calculations, and Communications” used to calculate Honeywell’s “participation exemption deduction under 26 U.S.C. § 965(c)(1).”

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 34:

All Documents, Calculations, and Communications used to calculate Honeywell’s aggregate foreign cash position under 26 U.S.C. § 965(c)(3).

RESPONSE TO REQUEST FOR PRODUCTION NO. 34:

In addition to the General Objections, Honeywell objects to Request No. 34 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents, Calculations, and Communications” used to calculate Honeywell’s “aggregate foreign cash position under 26 U.S.C. § 965(c)(3).”

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 35:

All Documents, Calculations, and Communications used to calculate the amount Honeywell used, pursuant to 26 U.S.C. § 965(h)(6)(B), to reduce its net tax liability under 26 U.S.C. § 965 (e.g., including foreign tax credits under 26 U.S.C. §§ 27, 901, 902, and 960).

RESPONSE TO REQUEST FOR PRODUCTION NO. 35:

In addition to the General Objections, Honeywell objects to Request No. 35 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents, Calculations, and Communications” used to calculate the amount Honeywell used, “pursuant to 26 U.S.C. § 965(h)(6)(B), to reduce its net tax liability under 26 U.S.C. § 965 (e.g., including foreign tax credits under 26 U.S.C. §§ 27, 901, 902, and 960).”

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 36:

All Documents, Calculations, and Communications used to calculate the MTT Claim.

RESPONSE TO REQUEST FOR PRODUCTION NO. 36:

In addition to the General Objections, Honeywell objects to Request No. 36 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of “MTT Claim” as vague and ambiguous. Honeywell will interpret “MTT Claim” to mean the amount in Honeywell’s proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to support the MTT Claim calculation after Honeywell files its proof of claim.

REQUEST FOR PRODUCTION NO. 37:

All Documents, Calculations, and Communications Concerning the assumptions and methods used to designate, allocate, and/or apportion amounts between Honeywell and the Debtors to determine the MTT Claim.

RESPONSE TO FOR REQUEST FOR PRODUCTION NO. 37:

In addition to the General Objections, Honeywell objects to Request No. 37 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of “MTT Claim” as vague and ambiguous. Honeywell will interpret “MTT Claim” to mean the amount in Honeywell’s proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to support the MTT Claim calculation after Honeywell files its proof of claim. Honeywell will also produce documents sufficient to show “the assumptions and methods used to designate, allocate, and/or apportion” amounts between Honeywell and the Debtors.

REQUEST FOR PRODUCTION NO. 38:

All Documents, Calculations, and Communications used to calculate the amount of Honeywell’s aggregate accumulated post-1986 deferred foreign income under 26 U.S.C. § 965(a) (as referred to in Request Nos. 30 and 31 above) that it allocated to the Debtors to calculate the MTT Claim.

RESPONSE TO REQUEST FOR PRODUCTION NO. 38:

In addition to the General Objections, Honeywell objects to Request No. 38 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of “MTT Claim” as vague and ambiguous. Honeywell will interpret “MTT Claim” to mean the amount in Honeywell’s proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show how Honeywell calculated “the amount of Honeywell’s aggregate accumulated post-1986 deferred foreign income under 26 U.S.C. § 965(a)” allocated to the Debtors in the MTT claim after Honeywell files its proof of claim.

REQUEST FOR PRODUCTION NO. 39:

All Documents, Calculations, and Communications used to calculate the amount of Honeywell’s aggregate foreign E&P deficit(s) under 26 U.S.C. § 965(b) (as referred to in Request No. 32 above) that it allocated to the Debtors to calculate the MTT Claim.

RESPONSE TO REQUEST FOR PRODUCTION NO. 39:

In addition to the General Objections, Honeywell objects to Request No. 39 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of “MTT Claim” as vague and ambiguous. Honeywell will interpret “MTT Claim” to

mean the amount in Honeywell's proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show how Honeywell calculated "the amount of Honeywell's aggregate foreign E&P deficit(s) under 26 U.S.C. § 965(b)" allocated to the Debtors in the MTT claim after Honeywell files its proof of claim.

REQUEST FOR PRODUCTION NO. 40:

All Documents, Calculations, and Communications used to calculate the amount of Honeywell's participation exemption deduction under 26 U.S.C. § 965(c)(1) (as referred to in Request No. 33 above) that it allocated to the Debtors to calculate the MTT Claim.

RESPONSE TO REQUEST FOR PRODUCTION NO. 40:

In addition to the General Objections, Honeywell objects to Request No. 40 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of "MTT Claim" as vague and ambiguous. Honeywell will interpret "MTT Claim" to mean the amount in Honeywell's proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show how Honeywell calculated "the amount of Honeywell's participation exemption deduction under 26 U.S.C. § 965(c)(1)" allocated to the Debtors in the MTT claim after Honeywell files its proof of claim.

REQUEST FOR PRODUCTION NO. 41:

All Documents, Calculations, and Communications used to calculate the amount of Honeywell's aggregate foreign cash position under 26 U.S.C. § 965(c)(3) (as referred to in Request No. 34 above) that it allocated to the Debtors to calculate the MTT Claim.

RESPONSE TO REQUEST FOR PRODUCTION 41:

In addition to the General Objections, Honeywell objects to Request No. 41 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of "MTT Claim" as vague and ambiguous. Honeywell will interpret "MTT Claim" to mean the amount in Honeywell's proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show how Honeywell calculated "the amount of Honeywell's aggregate foreign cash position under 26 U.S.C. § 965(c)(3)" allocated to the Debtors in the MTT claim after Honeywell files its proof of claim.

REQUEST FOR PRODUCTION NO. 42:

All Documents, Calculations, and Communications used to calculate the amount of credits, as referenced in 26 U.S.C. § 965(h)(6)(B) (as referred to in Request No. 35 above), that Honeywell allocated to the Debtors to calculate the MTT Claim.

RESPONSE TO REQUEST FOR PRODUCTION NO. 42:

In addition to the General Objections, Honeywell objects to Request No. 42 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will

disclose in its proof of claim in advance of the Claims Bar Date. Honeywell also objects to the definition of “MTT Claim” as vague and ambiguous. Honeywell will interpret “MTT Claim” to mean the amount in Honeywell’s proof of claim for which Honeywell asserts the Debtors are liable under Section 3.02(g) of the Tax Matters Agreement.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show how Honeywell calculated “the amount of credits, as referenced in 26 U.S.C. § 965(h)(6)(B)” allocated to the Debtors in the MTT claim after Honeywell files its proof of claim.

REQUEST FOR PRODUCTION NO. 43:

All Documents, Calculations, and Communications used to calculate and support footnotes, amounts, and any other information disclosed in Honeywell’s financial statements and SEC Form 10-K Concerning Honeywell’s Section 965 Liability and/or the MTT Claim.

RESPONSE TO FOR REQUEST FOR PRODUCTION NO. 43:

In addition to the General Objections, Honeywell objects to Request No. 43 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents, Calculations, and Communications” used to “calculate and support footnote amounts, and any other information disclosed in Honeywell’s financial statements and SEC Form 10-K” concerning Honeywell’s Section 965 Liability. Honeywell further objects to this Request as premature to the extent it seeks information that Honeywell will disclose in its proof of claim in advance of the Claims Bar Date.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show how Honeywell calculated its liability under Section 965 of the Internal Revenue Code as disclosed in its 2018 SEC Form 10-K, filed on February 8, 2019, and 2019 SEC Form 10-K, filed on February 14, 2020.

REQUEST FOR PRODUCTION NO. 44:

A copy of Honeywell's U.S. federal income tax returns for the year ended December 31, 2017, including all disclosures, attachments, foreign information returns (e.g., Forms 5471, 8865, 8858, et cetera) and supporting Calculations related to any Specified Foreign Corporations, E&P Deficit Foreign Corporations, foreign tax credit Calculations, the net liability under 26 U.S.C. § 965, and any elections made pursuant to 26 U.S.C. § 965 and the regulations thereunder.

RESPONSE TO FOR REQUEST FOR PRODUCTION NO. 44:

In addition to the General Objections, Honeywell objects to Request No. 44 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects that its entire U.S. federal income tax returns for the year ended December 31, 2017 are not relevant to the estimation proceeding. Honeywell also objects to this Request to the extent it seeks information that is protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will produce Forms 965, 1118, 5471, 8858, and 8865 filed by Honeywell International Inc. & Consolidated Subsidiaries; Eclipse, Inc. & Consolidated Subsidiary; and Elster Solutions Corporation as part of their U.S. federal income tax returns for the year ended December 31, 2017, and any supporting attachments or schedules for those Forms.

REQUEST FOR PRODUCTION NO. 45:

A copy of Honeywell's U.S. federal income tax returns for the year ended December 31, 2018, including all disclosures, attachments, foreign information returns (e.g., Forms 5471, 8865, 8858, et cetera) and supporting Calculations related to any Specified Foreign Corporations, E&P Deficit Foreign Corporations, foreign tax credit Calculations, the net liability under 26 U.S.C. § 965, and any elections made pursuant to 26 U.S.C. § 965 and the regulations thereunder.

RESPONSE TO FOR REQUEST FOR PRODUCTION NO. 45:

In addition to the General Objections, Honeywell objects to Request No. 45 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible

evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects that its entire U.S. federal income tax returns for the year ended December 31, 2018 are not relevant to the estimation proceeding. Honeywell also objects to this Request to the extent it seeks information that is protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will produce Forms 965, 1118, 5471, 8858, and 8865 filed by Honeywell International Inc. & Consolidated Subsidiaries; Eclipse, Inc. & Consolidated Subsidiary; and Elster Solutions Corporation as part of their U.S. federal income tax returns for the year ended December 31, 2018, and any supporting attachments or schedules for those Forms.

REQUEST FOR PRODUCTION NO. 46:

Documents, Calculations, and Communications sufficient to show how Honeywell accounts on its state income tax returns the funds it received and/or receives from the Debtors pursuant to the Indemnification Agreement.

RESPONSE TO FOR REQUEST FOR PRODUCTION NO. 46:

Subject to and without waiving the General Objections, Honeywell provides the narrative response below in lieu of responsive documents. Honeywell further states that it will meet and confer with the Debtors about the scope of this Request.

Honeywell International Inc. & Consolidated Subsidiaries accounts on its state income tax returns for the funds it received and/or receives from the Debtors pursuant to the Indemnification Agreement the same way it accounts for the funds on its federal income tax returns, as described below in response to Request No. 47. Specifically, the federal determination of corporate taxable income is the starting point for corporate state taxable income, prior to state modifications, if any. Honeywell is not aware of any state modifications made to its state income tax returns with respect to accounting for funds received pursuant to the Indemnification Agreement.

REQUEST FOR PRODUCTION NO. 47:

Documents, Calculations, and Communications sufficient to show how Honeywell accounts on its federal income tax returns the funds it received and/or receives from the Debtors pursuant to the Indemnification Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 47:

Subject to and without waiving the General Objections, Honeywell provides the narrative response below in lieu of responsive documents. Honeywell further states that it will meet and confer with the Debtors about the scope of this Request.

To describe the tax treatment of Honeywell's receipts under the Indemnification Agreement on Honeywell International Inc. & Consolidated Subsidiaries' federal income tax returns, it is necessary to break those receipts down into two parts: (i) receipts for defense costs (*e.g.*, payments to Honeywell's Bendix counsel who defend the cases) and (ii) receipts for costs to resolve Bendix claims through settlements or verdicts. With respect to the first category, reimbursement payments received from the Debtors are treated as taxable income.

With respect to the second category—the portion of the Debtors' payments that reimburse Honeywell for its payments to plaintiffs via settlements or verdicts—Honeywell carries a receivable on its balance sheet for its expected receipts from the Debtors for the liability portion of the payments it expects to receive from the Debtors. In connection with the spin-off, Honeywell took tax basis in the receivable equal to its estimated value at the time, approximately \$1.3 billion. Honeywell therefore does not recognize as taxable income the Debtors' payments up to the amount of the receivable on its books at the time of the spin-off; rather, it reduces its tax basis in the receivable by the amount of such payments. Honeywell would, however, recognize as taxable income any reimbursements to the extent they exceed its tax basis.

REQUEST FOR PRODUCTION NO. 48:

Documents, Calculations, and Communications sufficient to show how Honeywell accounts for, for accounting and tax purposes, the funds it received and/or receives from the Debtors pursuant to the Indemnification Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 48:

In addition to the General Objections, Honeywell objects to Request No. 48 as vague and ambiguous insofar as it seeks documents sufficient to show how Honeywell “accounts for, for accounting . . . purposes, the funds it received and/or receives from the Debtors.”

Subject to and without waiving these objections, Honeywell provides the narrative response below in lieu of responsive documents. Honeywell further states that it will meet and confer with the Debtors about the scope of this Request.

To describe the tax treatment of Honeywell’s receipts under the Indemnification Agreement on Honeywell International Inc. & Consolidated Subsidiaries’ federal income tax returns, it is necessary to break those receipts down into two parts: (i) receipts for defense costs (*e.g.*, payments to Honeywell’s Bendix counsel who defend the cases) and (ii) receipts for costs to resolve Bendix claims through settlements or verdicts. With respect to the first category, reimbursement payments received from the Debtors are treated as taxable income.

With respect to the second category—the portion of the Debtors’ payments that reimburse Honeywell for its payments to plaintiffs via settlements or verdicts—Honeywell carries a receivable on its balance sheet for its expected receipts from the Debtors for the liability portion of the payments it expects to receive from the Debtors. In connection with the spin-off, Honeywell took tax basis in the receivable equal to its estimated value at the time, approximately \$1.3 billion. Honeywell therefore does not recognize as taxable income the Debtors’ payments up to the amount of the receivable on its books at the time of the spin-off; rather, it reduces its tax basis in the

receivable by the amount of such payments. Honeywell would, however, recognize as taxable income any reimbursements to the extent they exceed its tax basis.

REQUEST FOR PRODUCTION NO. 49:

All Documents and Communications Concerning the Loss Statements, including Drafts of Loss Statements, calculations Concerning amounts listed in the Loss Statements or Drafts of Loss Statements, and the identification of the cases, claims, and other expenses (including legal expenses, Third-Party Advisor expenses, and expenses Concerning scientific or other studies) that account for the Losses listed in the Loss Statements or Drafts of Loss Statements.

RESPONSE TO REQUEST FOR PRODUCTION NO. 49:

In addition to the General Objections, Honeywell objects to Request No. 49 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell is named in thousands of cases every year related to its Bendix asbestos liability in jurisdictions throughout the country. It is not proportional to the needs of the case to search for and produce “All Documents and Communications Concerning” the Loss Statements. Honeywell further objects to this Request to the extent it seeks information that is protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell will produce data sufficient to support the loss statements. Honeywell further states that, based on a reasonable search, it will also produce responsive, non-privileged drafts of loss statements, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 50:

All Documents and Communications Concerning each Filed Claim for which a Loss is listed in a Loss Statement, including:

- a. All complaints, verdicts or verdict forms, judgments, arbitration awards and settlement agreements;
- b. All Documents evidencing or documenting each claimant’s diagnosis and asbestos exposure by Honeywell or by any other party;

- c. All Documents and Communications Concerning the amount Honeywell paid pursuant to the associated judgment, arbitration award, or settlement; and
- d. All Documents and Communications Concerning any breakdown, allocation, division, attribution, or apportionment of any settlement amount, verdict, judgment, or arbitration award between or among claimants, causes of action, and Punitive and non-Punitive Damages.

RESPONSE TO REQUEST FOR PRODUCTION NO. 50:

In addition to the General Objections, Honeywell objects to Request No. 50 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell is named in thousands of cases every year related to its Bendix asbestos liability in jurisdictions throughout the country. It is not proportional to the needs of the case to search for and produce “All Documents and Communications Concerning” each Filed Claim listed in a Loss Statement. Honeywell further objects to this Request to the extent it seeks information that is protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell will produce all reasonably available complaints for each Filed Claim for which a Loss is listed in a Loss Statement, along with data sufficient to link the Complaints to the loss statements. Honeywell further states that it has instructed its third party advisor, Nathan Associates Inc. (“Nathan”), to generate a random sample of 400 Bendix claims, including both inventory and non-inventory claims, for which Honeywell has or will seek reimbursement from the Debtors. For the randomly generated non-inventory claims, Honeywell will produce, where reasonably available, each plaintiff’s release, documents supporting the claimant’s diagnosis, transcripts of fact witness depositions, dispositive motion briefing, *Daubert* motion briefing, punitive damages briefing, and any court decisions on the same, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 51:

All Documents and Communications Concerning each Inventory Claim for which a Loss is listed in a Loss Statement, including any Documents and Communications submitted to Honeywell pursuant to a Claims Processing Agreement or in furtherance of a potential settlement, settlement packages, settlement offers, Draft or final settlement agreements, Documents evidencing or documenting each claimant's diagnosis and asbestos exposure by Honeywell or by any other party, confirmation of releases from future claims, and all Documents and Communications Concerning any breakdown, allocation, division, attribution, or apportionment of any settlement amount between or among claimants, causes of action, and Punitive and non-Punitive Damages.

RESPONSE TO REQUEST FOR PRODUCTION NO. 51:

In addition to the General Objections, Honeywell objects to Request No. 51 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents and Communications Concerning" each Inventory Claim. Honeywell further objects to this Request to the extent it seeks information that is protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it has instructed its third party advisor, Nathan, to generate a random sample of 400 Bendix claims, including both inventory and non-inventory claims, for which Honeywell has or will seek reimbursement from the Debtors. For the randomly generated inventory claims, Honeywell will produce, where reasonably available, the claim submission packets for those claims.

REQUEST FOR PRODUCTION NO. 52:

All itemized bills and invoices for each legal expense or Third-Party Advisor expense for which a Loss is listed in a Loss Statement, including Documents and Communications sufficient to identify the associated case or claim for which such legal expense or Third-Party Advisor expense was incurred.

RESPONSE TO REQUEST FOR PRODUCTION NO. 52:

In addition to the General Objections, Honeywell objects to Request No. 52 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All itemized bills and invoices for each legal expense or Third-Party Advisor expense” for losses listed in a loss statement. Honeywell further objects to this Request to the extent it seeks information that is protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it has already produced to the Debtors extensive information on Honeywell’s Bendix defense costs since 2013. Honeywell will supplement this production with more detailed information on its defense costs since 2013, including detail on individual invoice amounts.

REQUEST FOR PRODUCTION NO. 53:

All engagement letters, retention letters, and other contracts and agreements Concerning the litigation, defense, or Management of Asbestos Liability in effect on or after October 1, 2018 between Honeywell and each of its attorneys, law firms (including McDermott Will & Emery and the Local Law Firms), and Third-Party Advisors.

RESPONSE TO REQUEST FOR PRODUCTION NO. 53:

In addition to the General Objections, Honeywell objects to Request No. 53 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light the schedule and scope of the estimation proceeding. Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell will produce the outside counsel guidelines that it maintains for its outside counsel defending Bendix cases. Honeywell will also produce documents sufficient to show the hourly rates for its outside counsel defending Bendix cases. Further responding, it is not Honeywell's standard practice to enter into engagement letters or retention letters with all of the law firms involved in the defense of the Bendix cases. Instead, Honeywell maintains outside counsel guidelines for counsel defending Bendix cases.

REQUEST FOR PRODUCTION NO. 54:

All Documents and Communications that Honeywell sent to or received from an Asbestos Counterparty after October 1, 2018, including Documents and Communications Concerning settlement demands, proposed settlement values, settlement negotiations, and settlement agreements.

RESPONSE TO REQUEST FOR PRODUCTION NO. 54:

In addition to the General Objections, Honeywell objects to Request No. 54 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell is named in thousands of cases every year related to its Bendix asbestos liability in jurisdictions throughout the country. It is not proportional to the needs of the case to search for and produce "All Documents and Communications that Honeywell sent to or received from an Asbestos Counterparty," particularly in light of the information related to the underlying Bendix claims and defense costs that Honeywell has already provided to the Debtors in the dataroom established last year. Moreover, many of these documents are in the possession of numerous law firms that Honeywell has engaged to defend the Bendix cases, further adding to the burden of this Request.

Subject to and without waiving these objections, Honeywell states that it has instructed its third party advisor, Nathan, to generate a random sample of 400 Bendix claims, including both inventory and non-inventory claims, for which Honeywell has or will seek reimbursement from

the Debtors. Honeywell will produce the claims submission packet for the randomly generated inventory claims. For the randomly generated non-inventory claims, Honeywell will produce, where reasonably available, each plaintiff's release, documents supporting the claimant's diagnosis, transcripts of fact witness depositions, dispositive motion briefing, *Daubert* motion briefing, and punitive damages briefing, and any court decisions on the same, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 55:

All Documents and Communications contained in the Honeywell Bendix Production Database, as defined in Defendant Honeywell International Inc.'s Amended Responses to Plaintiffs' First Set of Interrogatories, Papineau v. Brake Supply Co., Civil Action No. 4:18-CV-168-JHM (W.D. Ky. Nov. 18, 2019) (Dkt. No. 160-2).

RESPONSE TO REQUEST FOR PRODUCTION NO. 55:

Subject to and without waiving the General Objections, Honeywell states that it has already produced to the Debtors the Honeywell Bendix Production Database on December 3, 2020.

REQUEST FOR PRODUCTION NO. 56:

All Documents and Communications Concerning practices, guidelines, requirements, or other procedures in effect on or after October 1, 2018 for approving settlements of claims arising from the Asbestos Liability, for approving legal expenses arising from the Asbestos Liability, and for litigating, defending, or Managing the Asbestos Liability, and any changes in such processes, guidelines, requirements, or other procedures on or after January 1, 2018.

RESPONSE TO REQUEST FOR PRODUCTION NO. 56:

In addition to the General Objections, Honeywell objects to Request No. 56 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents and Communications Concerning practices, guidelines, requirements, or other procedures" for "approving settlements," "approving legal expenses," and "litigating, defending, or Managing the

Asbestos Liability,” particularly in light of the information related to the underlying Bendix claims and defense costs that Honeywell has already provided to the Debtors in the dataroom established last year. Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell will produce the outside counsel guidelines that it maintains for its outside counsel defending the Bendix cases. Honeywell further states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 57:

All Documents and Communications on or after January 1, 2010 Concerning fraud or suspected fraud by Asbestos Counterparties or other Persons bringing claims against any party Concerning asbestos, including Documents and Communications Concerning Honeywell’s efforts to address, combat, or deter such fraud or suspected fraud.

RESPONSE TO REQUEST FOR PRODUCTION NO. 57:

In addition to the General Objections, Honeywell objects to Request No. 57 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. It is not proportional to the needs of the case to search for and produce “All Documents and Communications Concerning fraud or suspected fraud by Asbestos Counterparties” for a time period of more than ten years, including more than eight years before the execution of the Indemnification and Reimbursement Agreement, particularly in light of the information related to the underlying Bendix claims and defense costs that Honeywell has already provided to the Debtors in the dataroom established last year. Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it has instructed its third party advisor, Nathan, to generate a random sample of 400 Bendix claims, including both inventory and non-inventory claims, for which Honeywell has or will seek reimbursement from the Debtors. Honeywell will produce the claims submission packet for the randomly generated inventory claims. For the randomly generated non-inventory claims, Honeywell will produce, where reasonably available, each plaintiff's release, documents supporting the claimant's diagnosis, transcripts of fact witness depositions, dispositive motion briefing, *Daubert* motion briefing, punitive damages briefing, and any court decisions on the same, to the extent such documents exist. Honeywell further states that, based on a reasonable search, it will produce responsive, non-privileged documents related to fraud or suspected fraud by Bendix plaintiffs, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 58:

All Documents and Communications Concerning the following assertions in the Opening Brief of Appellants, *In re: AC&S, Inc.*, No. 18-1951, 2018 WL 3784515 (3d Cir. July 31, 2018):

- a. "The asbestos plaintiffs' bar has engaged in widespread fraud and abuse."
- b. b. "Asbestos litigation is a 'massively fraudulent enterprise involving the creation of literally hundreds of thousands of bogus medical reports.'"

RESPONSE TO REQUEST FOR PRODUCTION NO. 58

In addition to the General Objections, Honeywell objects to Request No. 58 to the extent it seeks information protected by the attorney-client privilege and/or work product protection. Honeywell further objects to the Request to the extent it seeks any additional information about these statements, which speak for themselves.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 59:

All Documents and Communications that Honeywell submitted, served, filed, or prepared for a litigation, arbitration, mediation, or other dispute resolution process since January 1, 2010 (including Drafts and including co-defendants' filings that Honeywell joined or adopted) Concerning or discussing exposure to Punitive Damages arising from the Asbestos Liability and all Documents and Communications underlying the foregoing, including the Documents and Communications that support the following statements made in the Joint Brief for Defendants-Appellants, *In re N.Y.C. Asbestos Litig.*, Nos. 15676, 15677, 15678, 2015 WL 13664501 (N.Y.App. Div. 1st Dep't Mar. 6, 2015):

- a. "Fears of punitive verdicts undoubtedly will inflate settlement values"
- b. "In truth, the end of the deferral of punitive damages in New York will only tilt the settlement advantage even further in plaintiffs' favor, enabling them to inflate settlement demands and thereby cause additional depletion of the resources available for compensation of future claimants."
- c. "It is undeniable that 'as a general proposition the specter of a large punitive damages award is a very powerful factor in encouraging settlements of entire cases.'"
- d. "When defendants face punitive damages, as when they face class action lawsuits, they are forced to 'stake their companies on the outcome of a single jury trial, or be forced by fear of the risk of bankruptcy to settle even if they have no legal liability' These threats are real. While most asbestos cases in fact settle, staggering punitive damages verdicts have occasionally been awarded in cases that have gone to trial."

RESPONSE TO REQUEST FOR PRODUCTION NO. 59:

In addition to the General Objections, Honeywell objects to Request No. 59 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Honeywell is named in thousands of cases every year related to its Bendix asbestos liability in jurisdictions throughout the country. It is not proportional to the needs of the case to search for and produce "All Documents and Communications that Honeywell submitted, served, filed, or prepared for a litigation, arbitration, mediation, or other dispute resolution process" "[c]oncerning or discussing exposure to Punitive Damages arising from the Asbestos Liability" for a time period of more than ten years, including more than eight years before the execution of the Indemnification and Reimbursement Agreement, particularly in light of the information related

to the underlying Bendix claims and defense costs that Honeywell has already provided to the Debtors in the dataroom established last year. Moreover, many of these documents are in the possession of numerous law firms that Honeywell has engage to defend the Bendix cases, further adding to the burden of this Request.

Honeywell further objects to the Request to the extent it seeks documents related to disputes other than those involving Bendix friction products. Only Honeywell's Bendix liability is at issue in this proceeding, not any other asbestos liability. Honeywell also objects that the Request seeks documents that are equally accessible to the Debtors on public court dockets. Additionally, Honeywell objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection. Honeywell further objects to the Request to the extent it seeks additional information about these statements, which speak for themselves.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 60:

All Documents and Communications from January 1, 2010 to present Concerning actual or potential exposure to Punitive Damages Concerning the Asbestos Liability, or asbestos liability generally, including Documents and Communications Concerning the risk of such damages or the actual, potential, or estimated amount of such damages.

RESPONSE TO REQUEST FOR PRODUCTION NO. 60:

In addition to the General Objections, Honeywell objects to Request No. 60 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell is named in thousands of cases every year related to its Bendix asbestos liability in jurisdictions throughout the country. It is not proportional to the needs of the case to search for and produce "All Documents and Communications" "[c]oncerning actual or potential exposure to Punitive

Damages Concerning the Asbestos Liability, or asbestos liability generally” for a time period of more than ten years, including more than eight years before the execution of the Indemnification and Reimbursement Agreement. Honeywell also objects to this Request as premature in light of Defendants’ pending motion to dismiss the adversary proceeding.

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 61:

Documents sufficient to identify the money or other consideration that Honeywell has paid or expects to pay to sponsor or fund any medical or scientific research Concerning asbestos-related disease or injury that Honeywell has sponsored or directly or indirectly funded, in whole or in part, in the aggregate and, as applicable, on a publication-by-publication or researcher-by-researcher basis.

RESPONSE TO REQUEST FOR PRODUCTION NO. 61:

In addition to the General Objections, Honeywell objects to Request No. 61 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding.

Subject to and without waiving these objections, Honeywell states that the Honeywell Bendix Production Database contains documents responsive to this Request at the following Bates numbers:

HWBX00066576–HWBX00066588;	HWBX00068529–HWBX00094470;
HWBX00140286–HWBX00172999;	HWBX00173863–HWBX00173863;
HWBX00174815–HWBX00175337;	HWBX00178854–HWBX00178960;
HWBX00306103–HWBX00306169;	HWBX00368788–HWBX00368960;
HWBX00374176–HWBX00374254;	HWBX00376265–HWBX00376266;
HWBX00410595–HWBX00410613;	HWBX00420745–HWBX00420770;

HWBX00440639–HWBX00440726; HWBX00528404–HWBX00528422;
HWBX00530864–HWBX00530908; HWBX00531282–HWBX00532584;
HWBX00534557–HWBX00538590.

REQUEST FOR PRODUCTION NO. 62:

From January 1, 2017 to present, all Documents and Communications Concerning estimates of the Debtors’ cost of capital, cost of debt, or cost of equity, including estimates of the Debtors’ levered or unlevered beta and estimates of any risk factors specific to the Debtors.

RESPONSE TO REQUEST FOR PRODUCTION NO. 62:

In addition to the General Objections, Honeywell objects to Request No. 62 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “All Documents and Communications” about the Debtors’ cost of capital.

Subject to and without waiving these objections, Honeywell will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 63:

From January 1, 2017 to present, all Documents and Communications Concerning valuation and financial projections.

RESPONSE TO REQUEST FOR PRODUCTION NO. 63:

In addition to the General Objections, Honeywell objects to Request No. 63 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. During the parties’ December 7, 2020 meet-and-confer, Honeywell confirmed with the Debtors that this Request should be read as a request for documents and communications concerning “valuation and financial projections of the Debtors.” *See* I. Nesser Ltr. 12/9/20, at 7. It is not proportional to the

needs of this case to search for and produce “all Documents and Communications Concerning valuation and financial projections” of the Debtors.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 64:

From January 1, 2017 to present, all Documents and Communications Concerning a credit assessment or similar analysis of the Debtors.

RESPONSE TO REQUEST FOR PRODUCTION NO. 64:

In addition to the General Objections, Honeywell objects to Request No. 64 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “all Documents and Communications” about a credit assessment or similar analysis of the Debtors.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 65:

From January 1, 2017 to present, all Documents and Communications Concerning any estimation and projection of the Debtors’ expected payments to Honeywell under the Indemnification Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 65:

In addition to the General Objections, Honeywell objects to Request No. 65 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “all Documents and

Communications” regarding “any estimation and projection of the Debtors’ expected payments to Honeywell under the Indemnification Agreement.”

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 66:

From January 1, 2017 to present, all Documents and Communications Concerning any discounted present value or other valuation of the Debtors’ expected payments to Honeywell under the Indemnification Agreement or the Tax Matters Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 66:

In addition to the General Objections, Honeywell objects to Request No. 66 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “all Documents and Communications Concerning any discounted present value or other valuation of the Debtors’ expected payments to Honeywell under the Indemnification Agreement or the Tax Matters Agreement.”

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 67:

From January 1, 2017 to present, all Documents and Communications Concerning the ability or likelihood of the Debtors continuing to make payments to Honeywell under the Indemnification Agreement or the Tax Matters Agreement, including the likelihood of any such payments being deferred in accordance with the Indemnification Agreement or otherwise.

RESPONSE TO REQUEST FOR PRODUCTION NO. 67:

In addition to the General Objections, Honeywell objects to Request No. 67 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible

evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “all Documents and Communications Concerning the ability or likelihood of the Debtors continuing to make payments to Honeywell under the Indemnification Agreement or the Tax Matters Agreement.”

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 68:

From January 1, 2017 to present, all Documents and Communications Concerning any assessment of the subordination, priority, or placement of the Indemnification Agreement obligations or the Tax Matters Agreement obligations within the Debtors’ corporate structure.

RESPONSE TO REQUEST FOR PRODUCTION NO. 68:

In addition to the General Objections, Honeywell objects to Request No. 68 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “all Documents and Communications Concerning concerning any assessment of the subordination, priority, or placement of the Indemnification Agreement obligations or the Tax Matters Agreement obligations within the Debtors’ corporate structure.”

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 69:

From January 1, 2010 to present, all Documents and Communications Concerning potential or actual attempts to sell, divest, or otherwise transfer or cause another entity to assume the Asbestos Liability, including internal or external analysis of the Asbestos Liability in preparation for such a sale or divesture.

RESPONSE TO REQUEST FOR PRODUCTION NO. 69:

In addition to the General Objections, Honeywell objects to Request No. 69 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents and Communications Concerning potential or actual attempts to sell, divest, or otherwise transfer” the asbestos liability for a time period of over ten years. Based on a meet-and-confer with the Debtors’ counsel, Honeywell understands that the Debtors are “primarily interested in pitch books, road show materials, investor presentations, and similar documents, as well as memoranda outlining potential transactions.” *See* I. Nesser Ltr. 12/8/2020, at 7.

Subject to and without waiving these objections, Honeywell states that it will continue to meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 70:

From January 1, 2017 to present, all Documents and Communications Concerning calculating the \$350 million reduction in the carrying value of the Debtors’ receivables, represented as the “difference between the ... carrying value of the undiscounted receivables owed to us by Garrett under these agreements and the present value of amounts owed to us over the full term of these existing agreements,” as disclosed in Honeywell’s October 23, 2020 8-K.

RESPONSE TO REQUEST FOR PRODUCTION NO. 70:

In addition to the General Objections, Honeywell objects to Request No. 70 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “all Documents and Communications Concerning calculating the \$350 million reduction in the carrying value of the Debtors’ receivables.” Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will produce documents sufficient to show the calculation of the \$350 million reduction in the carrying value of the Debtors' receivables.

REQUEST FOR PRODUCTION NO. 71:

All Documents and Communications Concerning any actual or potential insurance, hedge, or attempt to insure or hedge Honeywell's risk associated with the Indemnification Agreement obligations or the Tax Matters Agreement obligations.

RESPONSE TO REQUEST FOR PRODUCTION NO. 71:

In addition to the General Objections, Honeywell objects to Request No. 71 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents and Communications Concerning any actual or potential insurance, hedge, or attempt to insure or hedge Honeywell's risk associated with the Indemnification Agreement obligations or the Tax Matters Agreement obligations." Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 72:

All Documents and Communications Concerning the Spin-off, Spin-Off Transactions, the Indemnification Agreement, the Assignment Agreement, and the Covenants, including (a) all Documents and Communications Concerning the negotiation, drafting, purpose, meaning, or interpretation thereof and (b) all Documents and Communications Concerning the legality, enforceability, or propriety thereof under any federal, state, or foreign law or regulation.

RESPONSE TO REQUEST FOR PRODUCTION NO. 72:

In addition to the General Objections, Honeywell objects to Request No. 72 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible

evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents and Communications Concerning the Spin-off, Spin-Off Transactions, the Indemnification Agreement, the Assignment Agreement, and the Covenants.” Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection. Honeywell also objects to this Request as premature in light of Defendants’ pending motion to dismiss the adversary proceeding.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 73:

All Documents and Communications sent, received, prepared, reviewed, or considered by or on behalf of Su Ping Lu or Darius Adamczyk Concerning the Indemnification Agreement, the Assignment Agreement, the Solvency Opinion, or the potential or actual indemnification of Honeywell by the Debtors for the Asbestos Liability, including (a) all Communications between Su Ping Lu or any Person acting on her behalf, on the one hand, and any representative or advisor of the Debtors, on the other hand, and (b) all Documents reviewed or considered by Su Ping Lu in approving the Indemnification Agreement or Assignment Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 73:

In addition to the General Objections, Honeywell objects to Request No. 73 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce “All Documents and Communications sent, received, prepared, reviewed, or considered by or on behalf of Su Ping Lu or Darius Adamczyk Concerning the Indemnification Agreement, the Assignment Agreement, the Solvency Opinion, or the potential or actual indemnification of Honeywell by the Debtors for the Asbestos Liability.” Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection. Honeywell also objects

to this Request as premature in light of Defendants' pending motion to dismiss the adversary proceeding.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 74:

All Documents, including agreements, Concerning the actual or purported retention of legal counsel or other advisors to represent, advise, or assist the Debtors in connection with the Spin-off or Spin-off Transactions, including Paul Weiss, Cleary Gottlieb, and Duff & Phelps. This Request includes Documents, including agreements, that are applicable to or provide for the provision of professionals services to the Debtors in any way, even if the Debtors are not specifically named.

RESPONSE TO REQUEST FOR PRODUCTION NO. 74:

In addition to the General Objections, Honeywell objects to Request No. 74 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents, including agreements, Concerning the actual or purported retention of legal counsel or other advisors to represent, advise, or assist the Debtors in connection with the Spin-off or Spin-off Transactions." Honeywell further objects to this Request as premature in light of Defendants' pending motion to dismiss the adversary proceeding. Honeywell also objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 75:

All resolutions, minutes, and presentations by, to, or of the Debtors' boards of directors, or any committee thereof, prepared, received, or dated before October 1, 2018.

RESPONSE TO REQUEST FOR PRODUCTION NO. 75:

In addition to the General Objections, Honeywell objects to Request No. 75 as premature in light of Defendants' pending motion to dismiss the adversary proceeding.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 76:

All resolutions, minutes, or presentations by, to, or of Honeywell's board of directors, or any committee thereof, Concerning the Spin-off, the Spin-off Transactions, the Solvency Opinion, the Indemnification Agreement, the Assignment Agreement, and the 2018 Restatement (including Documents and Communications Concerning the duties of the board of directors, or any committee thereof, to review, consider, or approve the foregoing).

RESPONSE TO REQUEST FOR PRODUCTION NO. 76:

In addition to the General Objection, Honeywell objects to Request No. 76 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce all board materials concerning a variety of topics. Honeywell further objects to this Request as premature in light of Defendants' pending motion to dismiss the adversary proceeding. Honeywell also objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will produce its productions to the SEC and its productions in the shareholder litigation in response to the plaintiffs' Section 220 demands. These productions contain documents responsive to Request No. 76. Honeywell further states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 77:

All Documents and Communications Concerning Honeywell's proposed or actual timeline for completing the Spin-off, any changes to that timeline, and Honeywell's actions or efforts to complete the Spin-off in accordance with any proposed timeline.

RESPONSE TO REQUEST FOR PRODUCTION NO. 77:

In addition to the General Objections, Honeywell objects to Request No. 77 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "All Documents and Communications" concerning Honeywell's "proposed or actual timeline for completing the Spin-Off." Honeywell further objects to this Request as irrelevant, as this information bears little, if any, relevance to the estimation of Honeywell's claims against the Debtors. Honeywell also objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection. Additionally, Honeywell objects to this Request as premature in light of Defendants' pending motion to dismiss the adversary proceeding.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 78:

All Documents and Communications Concerning any solvency opinion or solvency analysis Concerning the Indemnification Agreement or the Spin-off.

RESPONSE TO REQUEST FOR PRODUCTION NO. 78:

In addition to the General Objections, Honeywell objects to Request No. 78 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of the case to search for and produce "any solvency opinion or solvency

analysis Concerning the Indemnification Agreement or the Spin-off.” Honeywell further objects that this Request seeks information irrelevant to the estimation proceeding in light of the Debtors’ statements that they will not be asserting any insolvency or undercapitalization-based claims as part of the estimation hearing. Honeywell also objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 79:

All Documents and Communications (including Communications between or among Honeywell, the Debtors, and their respective advisors, auditors, the SEC, and other regulators) Concerning (a) Honeywell or the Debtors’ accounting treatment of the Asbestos Liability, (b) Honeywell’s or the Debtors’ actual or potential financial disclosures relating to the Asbestos Liability, (c) the 2018 Restatement, and (d) Honeywell’s knowledge of an actual or potential problem with its historical accounting Concerning the Asbestos Liability.

RESPONSE TO REQUEST FOR PRODUCTION NO. 79:

In addition to the General Objections, Honeywell objects to Request No. 79 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce “All Documents and Communications” with several parties concerning Honeywell’s asbestos accounting. Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell will produce non-public letters exchanged with the SEC, as well as documents produced to the SEC. Honeywell further states that, based on a reasonable search, it will produce non-privileged documents responsive to this Request, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 80:

All Documents and Communications Concerning Honeywell's "claim deductions for U.S. federal, state or local income tax purposes in respect of any Losses relating to Claims," pursuant to Section 2.17 of the Indemnification Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 80:

In addition to the General Objections, Honeywell objects to Request No. 80 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding.

Subject to and without waiving the General Objections, Honeywell provides the narrative response below in lieu of responsive documents. Honeywell further states that it will meet and confer with the Debtors about the scope of this Request.

To describe the tax treatment of Honeywell's receipts under the Indemnification Agreement on Honeywell International Inc. & Consolidated Subsidiaries' federal income tax returns, it is necessary to break those receipts down into two parts: (i) receipts for defense costs (*e.g.*, payments to Honeywell's Bendix counsel who defend the cases) and (ii) receipts for costs to resolve Bendix claims through settlements or verdicts. With respect to the first category, reimbursement payments received from the Debtors are treated as taxable income.

With respect to the second category—the portion of the Debtors' payments that reimburse Honeywell for its payments to plaintiffs via settlements or verdicts—Honeywell carries a receivable on its balance sheet for its expected receipts from the Debtors for the liability portion of the payments it expects to receive from the Debtors. In connection with the spin-off, Honeywell took tax basis in the receivable equal to its estimated value at the time, approximately \$1.3 billion. Honeywell therefore does not recognize as taxable income the Debtors' payments up to the amount of the receivable on its books at the time of the spin-off; rather, it reduces its tax basis in the

receivable by the amount of such payments. Honeywell would, however, recognize as taxable income any reimbursements to the extent they exceed its tax basis.

REQUEST FOR PRODUCTION NO. 81:

All Documents and Communications Concerning any processes or procedures for assessing, determining, granting, or denying consent as to transactions actually or potentially subject to the Covenants in the Indemnification Agreement.

RESPONSE TO REQUEST FOR PRODUCTION NO. 81:

In addition to the General Objections, Honeywell objects to Request No. 81 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further notes that the Debtors have not requested Honeywell's approval for any transaction as contemplated by the Covenants in the Indemnification and Reimbursement Agreement.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 82:

All Documents and Communications from January 1, 2016 to present that were sent to or received from Deloitte Concerning the Debtors.

RESPONSE TO REQUEST FOR PRODUCTION NO. 82:

In addition to the General Objections, Honeywell objects to Request No. 82 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell understands that the Debtors are willing to limit this Request to "all documents and communications between Honeywell and its auditor, Deloitte, regarding any bases for Honeywell asserting that it could not reasonably estimate Bendix asbestos claims beyond a certain time horizon, and all documents and communications regarding Honeywell's revision to 'its accounting

related to the time period associated with the determination of appropriate accruals for the legacy Bendix asbestos-related liability for unasserted claims,' Honeywell Form 8-K, August 23, 2018, and the associated revision of previously-issued financial statements.” See I. Nesser Ltr. 12/8/2020, at 8.

Subject to and without waiving these objections, Honeywell states that, based on a reasonable search from January 1, 2017 to December 31, 2018, it will produce non-privileged documents responsive to this Request, as narrowed by the Debtors’ letter of December 8, 2020, to the extent such documents exist.

REQUEST FOR PRODUCTION NO. 83:

All Documents and Communications filed, served, sent, or received in any securities litigation Concerning the 2018 Restatement, including any such pleadings; motions; discovery requests and responses; document productions; deposition transcripts and exhibits; and hearing or trial exhibits, presentations, and transcripts.

RESPONSE TO REQUEST FOR PRODUCTION NO. 83:

In addition to the General Objections, Honeywell objects to Request No. 83 to the extent it seeks documents irrelevant to the estimation proceeding. There are many issues in the securities litigation that are not relevant to the estimation. Honeywell further objects to the extent that this Request seeks documents that are publicly available.

Subject to and without waiving these objections, Honeywell states that it will produce any documents that Honeywell’s third party advisors have produced in the securities litigation, *Kanefsky v. Honeywell*, Case No. 2:18-cv-15536 (D.N.J.). Honeywell has not to date produced any documents in the *Kanefsky* litigation. Honeywell will also produce any documents it provided to shareholders in response to the Section 220 demands related to Honeywell’s Bendix accounting.

REQUEST FOR PRODUCTION NO. 84:

All Documents and Communications Concerning any bonus or other financial benefit offered or given to any of Honeywell's or the Debtors' employees, agents, or advisors Concerning the execution of the Spin-off or the Spin-off Transactions.

RESPONSE TO REQUEST FOR PRODUCTION NO. 84:

In addition to the General Objections, Honeywell objects to Request No. 84 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. Honeywell further objects that this Request seeks documents irrelevant to any issue in the estimation proceeding. Honeywell also objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

REQUEST FOR PRODUCTION NO. 85:

All Documents and Communications on or after January 1, 2014 Concerning valuations, projections, estimates, calculations, accounting, and analyses of the Asbestos Liability and associated legal expenses (including the cost of litigating, defending, and Managing the Asbestos Liability), including Communications with Duff & Phelps and the SEC, and Documents and Communications supporting any valuations, projections, estimates, calculations, accounting, and analyses of the Asbestos Liability performed by Honeywell or any of its advisors.

RESPONSE TO REQUEST FOR PRODUCTION NO. 85:

In addition to the General Objections, Honeywell objects to Request No. 85 as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence, particularly in light of the schedule and scope of the estimation proceeding. It is not proportional to the needs of this case to search for and produce "All Documents and Communications" concerning Honeywell's asbestos accounting back to 2014, over six years

before the Petition Date. Honeywell further objects to this Request to the extent it seeks information protected by the attorney-client privilege and/or work product protection.

Subject to and without waiving these objections, Honeywell states that it will meet and confer with the Debtors about the scope of this Request.

HONEYWELL'S GENERAL OBJECTIONS

The following General Objections apply to all Requests. Each General Objection is hereby incorporated in the response to each individually numbered Request as if fully set forth therein.

1. Honeywell objects to each Request, Definition, and Instruction to the extent it imposes an obligation on Honeywell that is greater than that required by the Federal Rules of Civil Procedure, the Local Bankruptcy Rules, and the Local District Rules. Honeywell will comply with the obligations required by these Rules.

2. Honeywell objects to each Request to the extent that it seeks the disclosure of Documents or pieces of information that are not relevant or not reasonably calculated to lead to the discovery of admissible evidence.

3. Honeywell objects to each Request to the extent that it is overly broad, unduly burdensome, not proportional to the needs of the case, unreasonably cumulative, or duplicative.

4. Honeywell objects to the Requests to the extent they do not contain a reasonable limitation as to time period and are therefore overly broad, unduly burdensome, not proportional to the needs of the case, or seek discovery of information or documents which are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence concerning this proceeding.

5. Honeywell objects to the Requests to the extent they call for information or documents outside the permissible scope of discovery, or seek to impose rules, requirements,

definitions, or obligations upon Honeywell that are inconsistent with or beyond those contained in Federal Rules of Civil Procedure 26 and 34 and/or any other applicable rules.

6. Honeywell reserves the right to supplement, amend, or correct all or part of any of the responses provided herein, and to object to the admissibility in evidence of any part of the information or documents disclosed or produced in response to these Requests.

7. Honeywell objects to each Request to the extent it seeks identification of “all” or “any” documents or communications concerning certain issues or subject matters when identification of a material subset of such documents would be sufficient.

8. Honeywell objects to each Request to the extent that it is vague, ambiguous, or unclear, including the use of terms that are not defined and/or not otherwise susceptible to any single meaning.

9. Honeywell objects to each Request to the extent that it requires Honeywell to search for and produce electronically stored Documents (including email) from sources that are not reasonably accessible because of undue burden or cost.

10. Honeywell objects to each Request to the extent that it seeks Documents or information protected by the attorney-client privilege, the work product protection, and/or any other applicable privilege or protection, or that would result in disclosure of Honeywell’s counsel’s mental impressions, conclusions, opinions, memoranda, notes or summaries, legal research, or legal theories concerning this or any other legal proceeding. Any inadvertent production or disclosure of privileged information shall not be deemed to constitute a waiver of any privilege.

11. Honeywell objects to each Request to the extent that it seeks to impose upon Honeywell an obligation to provide Documents or information not in its possession, custody, and/or control, or to create Documents that are not currently in its possession, custody, and/or

control. Honeywell will not create new documents for the purpose of responding to these Requests.

12. Honeywell objects to each Request to the extent that it seeks Documents, materials, and information that are equally available to the Debtors through public sources or records.

13. Honeywell's objections to these Requests do not serve as an admission by Honeywell that responsive information exists and otherwise would have been provided by Honeywell absent such objections.

14. Honeywell objects to each Request to the extent it presumes the truth of any allegation in the adversary proceeding Complaint in *Garrett Motion, Inc., et al. v. Honeywell Int'l Inc.*, many of which Honeywell denies. In addressing these Requests, Honeywell is expressly not conceding the truth or relevance of any fact alleged in the adversary proceeding Complaint or referenced in these Requests.

15. Honeywell objects to the Definitions and Instructions to the extent that they are overbroad and unduly burdensome and would require Honeywell to conduct an unreasonably broad search to find responsive Documents and information.

16. Honeywell objects to the Definitions and Instructions to the extent they impose obligations different from the Stipulation and Order for the Production and Exchange of Confidential and Highly Confidential Information and/or the Stipulation for the Exchange of Electronically-Stored Information agreed to by the parties.

17. Honeywell objects to Instruction No. 2 to the extent that it purports to define "possession, custody, and control" broader than Federal Rules of Civil Procedure, the Local Bankruptcy Rules, the Local District Rules, or other applicable law. In particular, Honeywell

objects that documents in the possession, custody, and control of counsel employed by Honeywell are not necessarily in the possession, custody, and control of Honeywell.

18. Honeywell objects to Instruction No. 5 to the extent it purports to limit the ability of Honeywell to apply redactions to protect the disclosure of information protected by attorney-client privilege and/or work product protection or to prevent the disclosure of irrelevant personal identifying information.

19. To the extent that Honeywell responds or asserts a specific objection to a particular Request, Honeywell does not thereby waive these General Objections or any specific objection to that Request.

20. Honeywell responds to each Request based on its present knowledge. Honeywell reserves the right to supplement, revise, correct, clarify, or otherwise modify its responses and objections to the Requests. Honeywell also reserves the right to assert any other applicable objections to these Requests, and to object to any interrogatory or other Request relating to the subject matter of the responses herein. Honeywell's responses to the Requests, and its subsequent testimony, is not a waiver of any of these rights.

21. Subject to Honeywell's other General and specific Objections, for those Requests in response to which Honeywell will agree to produce documents, Honeywell will conduct a reasonable search and review of its records kept in the ordinary course of business in the places where responsive records and information are most likely to be found. Honeywell's reasonable search may involve the use of search terms across the files of various potential custodians to identify potentially responsive documents. Honeywell's production will be based on this continuing reasonable search.

Dated: Washington, D.C.
December 10, 2020

/s/ Ronald K. Anguas, Jr.

Craig S. Primis, P.C.
Ronald K. Anguas, Jr. (admitted pro hac vice)
Devin S. Anderson (admitted pro hac vice)
KIRKLAND & ELLIS LLP
1301 Pennsylvania Avenue, NW
Washington, D.C. 20004
Telephone: (202) 389-5000
Facsimile: (202) 389-5200

- and -

Nicole L. Greenblatt, P.C.
Anthony R. Grossi
William E. Arnault (admitted pro hac vice)
Joseph M. Graham (admitted pro hac vice)
KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

- and -

Mark McKane, P.C. (admitted pro hac vice)
Michael P. Esser (admitted pro hac vice)
KIRKLAND & ELLIS LLP
555 California St.
San Francisco, California 94104
Telephone: (415) 439-1400
Facsimile: (415) 439-1500

Counsel to Honeywell International Inc.

CERTIFICATE OF SERVICE

I, Ronald K. Anguas, Jr., hereby certify that a true and correct copy of Honeywell's Responses and Objections to the Debtors' Second Set of Requests for Production was served to the following attorneys of record by electronic mail on December 10, 2020:

Michael B. Carlinsky
Susheel Kirpalani
Isaac Nesser
Jaclyn Palmerson
Razmig Izakelian
Jeremy Baldoni
51 Madison Avenue, 22nd Floor
New York, New York 10010
(212) 849-7000
michaelcarlinsky@quinnemanuel.com
susheelkirpalani@quinnemanuel.com
isaacnesser@quinnemanuel.com
matthewscheck@quinnemanuel.com
jaclynpalmerson@quinnemanuel.com
razmigizakelian@quinnemanuel.com
jeremybaldoni@quinnemanuel.com

- and -

Matthew Scheck
865 S. Figueroa St.
Los Angeles, CA 90017
(213) 443-3000
matthewscheck@quinnemanuel.com

Special Counsel to the Debtors and Debtors in Possession

Dated: December 10, 2020

/s/ Ronald K. Anguas, Jr.
Ronald K. Anguas, Jr.