**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re: CROWN BOILER CO., LLC, Debtor. THE UNITED STATES TRUSTEE, Movant, v. CROWN BOILER CO., LLC, Respondent.	Chapter 11 Case No. 26-20515-JCM ECF No. Related to ECF No.

**MOTION OF THE UNITED STATES TRUSTEE
FOR AN ORDER DIRECTING THE APPOINTMENT OF A TRUSTEE UNDER 11 U.S.C. § 1104 OF THE BANKRUPTCY CODE, OR IN THE ALTERNATIVE CONVERTING THE CASE OR DISMISSING THE CASE**

Andrew R. Vara, United States Trustee for Regions 3 and 9 ("U.S. Trustee"), through his counsel, moves the Court for entry of an order directing the appointment of a trustee under 11 U.S.C. § 1104 of the Bankruptcy Code (the "Motion"), or in the alternative converting the case to one under chapter 7, or dismissing the case, and in support of the Motion states as follows:

PRELIMINARY STATEMENT

1. Only chapter 11 trustees and debtors-in-possession may manage the affairs of chapter 11 debtors. Crown Boiler Co., LLC ("Debtor") appears to be currently controlled by c-suite officers of its corporate parent, Burnham Holdings, Inc. ("BHI"). The Debtor, through counsel, has only filed retention Applications in the two weeks since filing a petition on February 25, 2026. The engagement letter for main counsel was executed on February 19, 2026, by BHI's

President and CEO, Christopher Drew. The Petition was signed by BHI's CFO, Nick Ribich, and upon information and belief, BHI's General Counsel, Samantha L. Fugagli, is another party purporting to act on the Debtor's behalf. Upon information and belief, the Debtor ceased operations on October 25, 2025, and all its direct employees ceased their employment on December 28, 2025. This case is therefore devoid of any independent fiduciary for the Debtor and its creditors, as BHI has its own interests with respect to claims against the Debtor, and upon information and belief proposes to extend postpetition financing to the Debtor.

2. On the facts and circumstances in this case, the Court should direct the appointment of a chapter 11 trustee to manage the Debtor's affairs under 11 U.S.C. § 1104, so that the chapter 11 trustee as a fiduciary of the Debtor's estate can pursue any claims or causes of action of the Debtor and provide an opportunity for creditors of the estate to receive the best recovery possible under the circumstances. Conversion to chapter 7 or dismissal of the case, may also be viable, with conversion also putting an independent fiduciary in place to pursue legal rights of the Debtor, and with dismissal restoring the state law rights of creditors as to the Debtor, and affiliates of the Debtor including BHI. Appointment of a chapter 11 trustee addresses the statutory infirmities of the current control structure of the Debtor and ensures an estate fiduciary will evaluate the best path forward for all the Debtor's stakeholders, while preserving maximum optionality to seek a plan to best address the claims of creditors. Conversion ensures distributions of assets in accordance with priority if the Court determines it is a better approach. Finally, if neither the appointment of a chapter 11 trustee nor conversion to chapter 7 appears appropriate to the Court, dismissal puts parties back to their state law rights.

JURISDICTION

3. This Court has jurisdiction to hear this Motion.

4. Pursuant to 28 U.S.C. § 586, the U.S. Trustee is charged with overseeing the administration of Chapter 11 cases filed in this judicial district. *See United States Trustee v. Columbia Gas Sys., Inc. (In re Columbia Gas Sys. Inc.),* 33 F.3d 294, 295-96 (3d Cir. 1994) (noting that U.S. Trustee has "public interest standing" under 11 U.S.C. § 307, which goes beyond mere pecuniary interest); *Morgenstern v. Revco D.S., Inc. (In re Revco D.S., Inc.)*, 898 F.2d 498, 500 (6th Cir. 1990) (describing the U.S. Trustee as a "watchdog").

5. Under 11 U.S.C. § 307, the U.S. Trustee has standing to be heard on the issues raised by this Motion.

BACKGROUND

6. The Debtor filed a voluntary petition under chapter 11 on February 25, 2026. ECF No. 1. No official committee has been formed at this time. The Debtor has not sought any traditional "first day" relief, and no declaration in support of the petition has yet been filed with the Court. *See* Docket. Additionally, the Debtor has not filed its Schedules and Statements which are due March 11, 2026. *See* Docket.

7. Since the filing of the petition, a number of corrective entries have been necessary on the docket, including: (1) *Notice Regarding Modification to Mailing Matrix* [ECF No. 10] on February 26, 2026; (2) *Notice Regarding Amended Statement Regarding Authority to Sign and File Petition* [ECF No. 24] on March 6, 2026 (the "Amended Statement Regarding Authority"); (3) a refiled *Application to Employ Shumaker, Loop & Kendrick, LLP as Bankruptcy Counsel* [ECF No. 25], on March 6, 2026 (the "Shumaker Application"); (4) *Exhibit Engagement Letter* [ECF No. 27], on March 6, 2026; (5) *Exhibit B – Engagement Letter of Shumaker, Loop & Kendrick, LLP* [ECF No. 31], on March 9, 2026 (the "Shumaker Engagement Letter"). As of the date of this Motion, the Debtor has only applied to retain counsel, with an *Application to Employ*

MazurKraemer Business Law as Local Bankruptcy Counsel [ECF No. 28] (the "MazurKraemer Application"), filed on March 6, 2026, as well. *See* ECF Nos. 22, 23, 25, and 28.

8. According to the Shumaker Application, "Crown Boiler Co." was incorporated in 1958, experienced rapid growth in the 1970s, and was a nationally known company by the 1990s, with a network of regional wholesalers. ECF No. 25 at ¶ 3. The Shumaker Application unfortunately does not state when Crown Boiler Co. converted from a corporation to a Limited Liability Company.

9. The petition was executed by Nick Ribich as Vice President and Chief Financial Officer. ECF No. 1. The Debtor identifies this address as its principal place of business:

Corporation Service Company
5235 North Font St.
Harrisburg, PA 17110
Dauphin County

Id. In response to Question 11 on the petition, the Debtor states it "has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district." *Id.*

10. An initial *Notice Regarding Statement Regarding Authority to Sign and File Petition* was filed on February 25, 2026, as well, indicating that Mr. Ribich is the "CFO of the sole Member of Crown, Burnham Holdings, Inc." ECF No. 4. The Amended Statement Regarding Authority, more clearly identified that Mr. Ribich, as CFO of BHI, was acting on behalf of "Debtor Crown Boiler Co, [sic] LLC," as opposed to an undefined "Crown." *Compare* ECF No. 24 *with* ECF *No.* 4.

11. BHI posts Annual Reports for its Shareholders, including a 2025 Annual Report. *See* Burnham Holdings, Annual Reports, (available at: https://www.burnhamholdings.com/annual-reports/) (accessed Mar. 10, 2026). The 2025 Annual

Report contains the following discussion of BHI's subsidiary, Debtor Crown Boiler Co., LLC:

- **3. Optimizing the Roofline:** As part of our efficiency strategy, *we initiated the wind-down of legacy Crown Boiler operations*, allowing for the opportunity to focus production efforts at our Lancaster, PA facilities in alignment with our goal of footprint optimization. This move allows us to "do more with less," aligning our capacity with the market's shift toward high-efficiency condensing technology

- **Network Optimization**: To further streamline operations, the Company completed the wind-down of *Crown Boiler, LLC (Crown)* in Philadelphia, PA, allowing the Company to harness the manufacturing capabilities of our primary Lancaster, PA campuses.

- **Subsequent Events:** The Company has evaluated subsequent events occurring after December 31, 2025 through February 27, 2026. All material required events have been recorded or disclosed in the Company's consolidated financial statements.

  On February 25, 2026, the Company announced that Crown Boiler Company, LLC (Crown),a wholly-owned subsidiary, has commenced a voluntary filing for protection under Chapter 11 of the U.S. Bankruptcy Code. Under the Chapter 11 process, Crown will not conduct ongoing operations, as manufacturing and business activities have previously been wound down. The court-supervised process is intended to facilitate an orderly resolution of the subsidiary's remaining obligations and liabilities. The Company expects this action to reduce legacy exposures, streamline the organization and strengthen Burnham Holdings' overall financial flexibility. As discussed in Note 8, as part of the wind down, recognized impairments associated with Crown and there are no further adjustments needed to the December 31, 2025 financial statements. However, due to the timing and nature of the filing, the Company cannot estimate the financial impact of the filing at this time. *The voluntary bankruptcy filing is considered an Event of Default under current lending agreements, and the Company has received a waiver for this from its banking group*.

- **8.GOODWILL, INTANGIBLE ASSETS AND LONG-LIVED ASSETS**
  Goodwill and intangible assets are included in Other long-term assets in the Company's Consolidated balance sheets. As noted in Note 3, at the beginning of 2025, the Company undertook a strategic review of its manufacturing operations, and *on April 7, 2025 announced the wind down of operations at Crown Boiler, LLC (Crown) in Philadelphia, PA in order to optimize manufacturing operations in Lancaster, PA. As of December 31, 2025, operations at Crown have ceased.*

Burnham Holdings, 2025 Annual Report to Shareholders – Sharpening Our Focus, p. 3, 12, 23 & 27 (available at https://www.burnhamholdings.com/wp-content/uploads/2026/03/50245-Bunham-Holdings-2025-OTC-Single2.pdf) (accessed Mar. 10, 2026) (italics added). Page 3 of the 2025 Annual Report is signed by Christopher R. Drew, as President and CEO of BHI. *Id.* at p. 3.

12. The Shumaker Application states that Shumaker has represented BHI "since November 2018, in corporate matters as requested by the company from time to time, including in the lead up to the bankruptcy filing." ECF No. 25 at ¶ 10; *see also* ECF No. 25-1 at ¶ 8 (Declaration of Steven M. Berman). The Shumaker Engagement Letter is dated February 19, 2026, and was signed by Christopher Drew, as President and CEO of BHI, Sole Member of Crown Boiler Co., LLC. ECF No. 31.

13. The MazurKraemer Application includes an Engagement Letter dated February 25, 2026, executed by "Steve Berman, Esquire," as counsel to "Crown Boiler Co" "By Shumaker, Loop & Kendrick, LLP[.]" ECF No. 28-2.

14. Both the MazurKraemer and Shumaker Applications identify that the Debtor has "over 31,000 registered holders of warranties" but that there are no pending asserted warranty claims. *See* ECF No. 25 at ¶ 13 and ECF No. 28 at ¶ 11.

15. Upon information and belief, the Debtor has asbestos related liabilities, but no entries are included in the Top 20 List of Creditors. *See* ECF No. 11.

16. Upon information and belief, the U.S. Trustee understands that the Debtor intends to seek approval of Debtor-in-possession financing ("DIP Financing") from its equity parent BHI. In addition to Messrs. Ribich and Drew of BHI, upon information and belief, the U.S. Trustee understands that Samantha L. Fugagli, General Counsel and Secretary of BHI, has also acted on behalf of the Debtor, and was also involved in negotiations relating to the DIP Financing, negotiating on BHI's behalf. *See* Burnham Holdings, 2025 Annual Report to Shareholders – Sharpening Our Focus, p. 36 (available at https://www.burnhamholdings.com/wp-content/uploads/2026/03/50245-Bunham-Holdings-2025-OTC-Single2.pdf) (accessed Mar. 10, 2026) (displaying the officers of BHI). BHI has not entered an appearance in this case.

17. Upon information and belief, the only assets of the Debtor are certain insurance rights.[1]

ARGUMENT

Cause Exists to Require the Appointment of a Chapter 11 Trustee as the Debtor Lacks Any Independent Decisionmakers

18. 11 U.S.C. § 1104(a) states that the Bankruptcy Court shall order the appointment of a trustee, at any time after the commencement of the case but prior to confirmation of a plan, on request of a party in interest or the U.S. Trustee, and after notice and a hearing:[2]

[1] However, at the Initial Debtor Interview recently conducted on March 10, 2026, BHI's CFO, Nick Ribich, appeared on the behalf of the Debtor and stated there are certain "fixed assets" that will be sold. As noted *supra* in paragraph 6 the Background Section, the Debtor's Schedules and Statements have not been filed to date. Thus, it is unclear what "fixed assets" the Debtor owns.

[2] A number of courts have indicated that grounds for the appointment of a trustee must be established by "clear and convincing" evidence. *See In re G-1 Holdings, Inc.,* 385 F.3d 313 (3d Cir. 2004). However, in

> (1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor by current management, either before or after the commencement of the case, or similar cause, but not including the number of holders of securities of the debtor or the amount of assets or liabilities of the debtor; or
>
> (2) if such appointment is in the interests of creditors, any equity security holders, and other interests of the estate, without regard to the number of holders of securities of the debtor or the amount of assets or liabilities of the debtor;

11 U.S.C. § 1104(a).

19. Subsection (1) addresses management's pre- and postpetition misdeeds or mismanagement, while subsection (2) provides the court with "particularly wide discretion" to appoint a trustee even absent wrongdoing or mismanagement. *In re Bellevue Place Associates,* 171 B.R. 615, 623 (Bankr. N.D. Ill. 1994). Where the court finds either that cause exists or that appointment is in the interest of the parties, an order for the appointment of a trustee is mandatory. *Official Comm. Of Asbestos Pers. Injury Claimants v. Sealed Air Corp. (In re W.R. Grace & Co.)*, 285 B.R. 148, 158 (Bankr. D. Del. 2002).

20. The categories enumerated in 11 U.S.C. § 1104(a)(1) "cover a wide range of conduct" and, thus, are best described as illustrative, rather than exclusive. *See In re Marvel Entertainment Corp.*, 140 F.3d 463, 472 (3d Cir. 1998). Fraud, dishonesty, incompetence, and gross mismanagement of a debtor's business affairs are all grounds for appointment of a chapter 11 trustee under 11 U.S.C. § 1104(a)(1). *See, e.g., In re Sharon Steel Corp.,* 871 F.2d 1217 (3d

light of Supreme Court precedent and the addition of section 1104(e) to the Bankruptcy Code, the better view is that the appropriate burden of proof should be the "preponderance of the evidence." *See Tradex Corp. v. Morse,* 339 B.R. 823, 829-32 (D. Mass. 2006) (citing *Grogan v. Garner,* 498 U.S. 279, 286 (1991)). For the reasons identified in this Motion, the U.S. Trustee contends any standard is satisfied.

Cir. 1989); *In re Colby Construction Corp.*, 51 B.R. 113, 116-118 (Bankr. S.D.N.Y. 1985). The determination of whether cause exists must be taken on a case-by-case basis, taking into account all relevant factors. *Sharon Steel*, 871 F.2d at 1225.

21. In its decision in *In re Marvel Entertainment Group, Inc.*, the Third Circuit quoted the following passage approvingly in affirming the appointment of a Chapter 11 trustee:

> The willingness of Congress to leave a debtor-in-possession is premised on an expectation that current management can be depended upon to carry out the fiduciary responsibilities of a trustee. And if the debtor-in-possession defaults in this respect, Section 1104(a)(1) ***commands*** that the stewardship of the reorganization effort must be turned over to an ***independent trustee***.

Marvel, 140 F.3d at 472 (quoting *In re V. Savino Oil & Heating Co., Inc.*, 99 B.R. 518, 526 (Bankr. E.D.N.Y. 1989)) (emphasis added); *see also In re NuGelt, Inc.*, 142 B.R. 661, 666 (Bankr. D. Del. 1992) (quoting *Commodity Futures Trading Comm'n v. Weintraub*, 471 U.S. 343, 355 (1985) ("Indeed, the willingness of courts to leave debtors in possession 'is premised upon an assurance that the officers and managing employees can be depended upon to carry out the fiduciary responsibilities of a trustee.'"); *In re Humphreys Pest Control Franchises, Inc.*, 40 B.R. 174, 176 n. 5 (Bankr. E.D. Pa. 1984) ("It is well established that a debtor-in-possession stands in the shoes of a trustee and owes a fiduciary obligation to all creditors."). The Third Circuit further stated that appointment of a trustee is mandatory if cause is found under 11 U.S.C. § 1104(a)(1), and the district court's refusal to appoint something less than a trustee was not an abuse of discretion under subsection (a)(2). *See Marvel*, 140 F.3d at 474-75. Congress provided no other way to replace debtor's management's control of the case with an independent fiduciary other than appointment of a trustee pursuant to 11 U.S.C. § 1104(a).

22. Two circuits have held that "cause" exists when the appointment of a chapter 11 trustee "is the only effective way to pursue reorganization." *Marvel Entertainment Group, Inc.*, 140 F.3d 463, 472-73 (3rd Cir. 2000) (adopting reasoning of the Fifth Circuit decision in *Cajun Electric* and affirming appointment of trustee when acrimony between debtor's management and creditors undermined any ability to prosecute bankruptcy case) *see also Cajun Elec. Power Coop. v. Central La. Elec. Coop. (In re Cajun Elec. Power Coop.)*, 74 F.3d 599, 600 (5th Cir. 1996) (adopting on rehearing the dissenting opinion at 69 F.3d 746, 751), *cert. denied*, 519 U.S. 808 (1996). While *Cajun Electric* and *Marvel Entertainment* have factual distinctions, both addressed the underlying problem that exists here: this case can only proceed in chapter 11 if a trustee is appointed.

23. At this moment, no party can faithfully and properly prosecute this chapter 11 case. To fill this leadership vacuum, "cause" exists to appoint a chapter 11 trustee under 11 U.S.C. § 1104(a)(1). The root problem for the Debtor is the lack of any independent and properly authorized corporate officer.

24. As demonstrated by the Shumaker and MazurKraemer Applications, and the items included in support of the Petition, only representatives of BHI, and their designees have purportedly acted on behalf of the Debtor. Mr. Ribich signed the petition but is CFO of BHI. Mr. Drew engaged Shumaker to represent the Debtor, in his capacity as President and CEO of BHI. Shumaker, through Mr. Berman, in turn engaged MazurKraemer. There is no special committee, or other independent decision maker that removes BHI's influence over the Debtor, and upon information and belief, BHI's General Counsel Ms. Fugagli, has authority on behalf of the Debtor, and has been the authorized representative of BHI in negotiations of the DIP Financing it proposes to provide to the Debtor. The conflict of having the non-Debtor parent's officers acting on behalf

of both the Debtor and BHI establishes cause for a chapter 11 trustee. *See Commodity Futures Trading Comm'n v. Weintraub*, 471 U.S. 343, 355 (1985) ("Indeed, the willingness of courts to leave debtors in possession 'is premised upon an assurance that the officers and managing employees can be depended upon to carry out the fiduciary responsibilities of a trustee.'"); *In re Humphreys Pest Control Franchises, Inc.*, 40 B.R. 174, 176 n. 5 (Bankr. E.D. Pa. 1984) ("It is well established that a debtor-in-possession stands in the shoes of a trustee and owes a fiduciary obligation to all creditors."). An independent chapter 11 trustee can assess the prospects for rehabilitation and can sell or otherwise administer estate assets and pursue estate causes of action in the interests of creditors under 11 U.S.C. § 1104(a)(2). To the extent claims exist against BHI, the current structure gives no comfort to stakeholders that such claims will be thoroughly and properly evaluated and pursued. All the proposed parties acting in the case do so at the selection of BHI's management team.

25. Alternatively, the Court must appoint a chapter 11 trustee "if such appointment is in the interests of creditors." 11 U.S.C. § 1104(a)(2). Notably, Section 1104(a)(2) of the Code allows appointment of a trustee even when "cause" does not exist. *See In re Sharon Steel Corp.*, 871 F.2d 1217, 1226 (3d Cir. 1989). When evaluating the interests of creditors under section 1104(a)(2), courts look at the practical realities and necessities. *In re Euro-American Lodging Corp.*, 365 B.R. 421, 427 (Bankr. S.D.N.Y. 2007). Accordingly, the standard for appointment of a Chapter 11 trustee under section 1104(a)(2) is flexible. *Marvel Entertainment*, 140 F.3d at 474.

26. Here, the creditor body is largely asbestos claimants and other personal injury tort claimants. The liquidated claims on the Top List of creditors range only $18,669.85 to $97.20, before the unknown, disputed, and contingent claims are listed. ECF No. 11. BHI's Annual Report repeatedly touts that the wind down and bankruptcy of the debtor will "reduce legacy exposures,

streamline the organization and strengthen Burnham Holdings' overall financial flexibility." Burnham Holdings, 2025 Annual Report to Shareholders – Sharpening Our Focus, p. 23 (available at https://www.burnhamholdings.com/wp-content/uploads/2026/03/50245-Bunham-Holdings-2025-OTC-Single2.pdf) (accessed Mar. 10, 2026).

27. While the record is at present devoid of any affirmative evidence in support of the petition of the Debtor, *In re Cendant Corporation Securities Litigation*, 109 F. Supp. 2d 225 (D.N.J. 2000), accurately sets forth the law with respect to judicial admissions:

> A party's assertion of fact in a pleading is a judicial admission by which it normally is bound throughout the course of the proceeding. A party will be held to its unambiguous and plainly worded statements, deliberately drafted by counsel for the express purpose of limiting and defining the facts at issue; however, to be binding, judicial admissions must be unequivocal. (quotation marks omitted) (citations omitted)

109 F. Supp. 2d 225, 230.

28. In *In re Stephenson*, 205 B.R. 52 (Bankr. E.D. Pa. 1997), the court noted that counsel's unequivocal statements on the record "may, nevertheless, be given the effect of judicial admissions. In this instance, counsel's description of the events leading up to the filing of the case made to the Court will be treated as judicial admissions." 205 B.R. at 55. In *In Re Teleglobe Communications Corp.*, 493 F.3d 345 (3d Cir. 2007), the court reiterated the basic principles: "To be binding, admissions must be unequivocal [citation omitted]. Similarly, they must be statements of fact that require evidentiary proof, not statements of legal theories." 493 F.3d at 377.

29. As identified in the Background section of this Motion, the Debtor's filings establish that the Debtor is acting only through BHI's officers. There is no independent party to execute the duties of a trustee or debtor-in-possession. An independent fiduciary is needed to ensure that the Debtor's chapter 11 case is not run for the benefit of its parent and affiliates.

If the Court Does Not Order the Appointment of a Chapter 11 Trustee, the Case Should be Converted to Chapter 7 or Dismissed for Cause.

30. Section 1112(b) of the Bankruptcy Code provides that, upon a finding of cause, a Court shall convert a chapter 11 case to a chapter 7 or dismiss the case entirely. 11 U.S.C. § 1112(b). Section 1112(b)(4) enumerates sixteen examples that constitute cause, but the list is non-exhaustive. 11 U.S.C. § 102(3) (instructing courts to interpret the use of "includes" to be not limiting). As such, the Court has wide discretion in determining whether cause exists for the purposes of Section 1112(b). *In re SGL Carbon Corp.*, 200 F.3d 154, 160 (3d Cir. 1999). Cause under section 1112(b) can also form the basis for acting under section 1104. *See In re The SCO Grp., Inc.*, No. 07-11337KG, 2009 WL 2425755, at *6 (Bankr. D. Del. Aug. 5, 2009) (Gross, J.) ("The Court's decision to appoint a Chapter 11 trustee *sua sponte* is based upon Bankruptcy Code Section 1104(a)(3) and *In re Marvel Entertainment Group, Inc.,* 140 F.3d 463 (3rd Cir.1998)").

31. Section 1112(b) imposes a good-faith requirement on all chapter 11 filings. *In re SGL Carbon Corp.*, 200 F.3d at 162 (3d Cir. 1999). When the Debtor's good faith is called into question, the Debtor bears the burden of showing that good faith is present in its filing. *In re Tamecki*, 229 F.3d 205, 207 (3d Cir. 2000).

32. Although the Code does not define good faith, showing good faith rests on two questions: (1) whether the petition serves a valid bankruptcy purpose, such as preserving a going concern or maximizing the value of the debtor's estate, and (2) whether the petition is filed to obtain a tactical advantage. *In re Integrated Telecom Express, Inc.*, 384 F.3d 108, 119 (3d Cir. 2004).

33. Efforts by the Debtor to remain in business constitute efforts to preserve a going concern. 384 F.3d 120. (quoting *In re SGL Carbon Corp.*, 200 F.3d 154, 165–66 (3d Cir. 1999)).

Further, maximizing the value of the estate in chapter 11 through liquidation occurs only when some value is otherwise lost outside of bankruptcy. *Id.*

34. In addition to requiring good faith, section 1112(b) states that cause for dismissal includes: (1) substantial or continuing loss or diminution to the estate and (2) the absence of reasonable likelihood of rehabilitation. 11 U.S.C. § 1112(b)(4)(A).

35. Upon finding cause, the Court must determine whether conversion or dismissal best serves the interest of the creditors and the estate. *In re Am. Capital Equip., LLC*, 688 F.3d 145, 161 (3d Cir. 2012). Here again, the court has wide discretion to use its "'equitable powers' to make 'an appropriate' disposition of the case[.]" Id. at 163 (quoting *In re Camden Ordnance Mfg. Co. of Arkansas, Inc.*, 245 B.R. 794, 798 (E.D. Pa. 2000)).

36. Under section 1112(b)(4)(A), the Code states that cause includes: substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation. The Debtor's case contains evidence of continuing loss to the estate and an absence of a reasonable likelihood of rehabilitation.

37. The facts identified in this Motion clearly establish that the Debtor has ceased all business operations. Burnham Holdings, 2025 Annual Report to Shareholders – Sharpening Our Focus, p. 27 (available at https://www.burnhamholdings.com/wp-content/uploads/2026/03/50245-Bunham-Holdings-2025-OTC-Single2.pdf) (accessed Mar. 10, 2026) ("As of December 31, 2025, operations at Crown have ceased."). There are no ongoing revenues or going concern value to better address the claims of creditors by allowing the Debtor to remain in Chapter 11 as compared to converting the case to one under Chapter 7. Permitting the case to continue in chapter 11 will cause further and unnecessary loss to the Debtor's estate through the litigation expenditures demanded by chapter 11's, such as the retention and payment

of chapter 11 professionals, including local counsel, payment of appointed examiners or trustees, and the U.S. Trustee's quarterly fees.

38. Additionally, the Debtor appears to have no reasonable likelihood of rehabilitation. It has been "wound down" prior to commencing the case. *Id.* at pp. 14, 23, and 34. Without any Schedules or Statements, the only assets of the Debtor appear to be its rights in insurance, or any claims against its parent BHI, or affiliates, and pursuit of those items should be left to an independent fiduciary, unrestrained by the Debtor's prior management or hand-picked bankruptcy representatives. Anything that a chapter 11 trustee could accomplish may also be addressed by a chapter 7 trustee. Alternatively, the case could be dismissed to leave parties to their state law rights to avoid additional administrative costs in either chapter 11 or chapter 7.

39. The U.S. Trustee reserves all duties, obligations and rights to, *inter alia*, revise, modify, supplement or otherwise amend this motion or take any other actions as deemed necessary.

CONCLUSION

WHEREFORE, the U. S. Trustee respectfully requests that this Court enter an order directing the appointment of a chapter 11 trustee, and such other relief as the Court deems just, fair, and equitable.

Respectfully Submitted,

ANDREW R. VARA
UNITED STATES TRUSTEE
REGIONS 3 & 9

Dated: March 11, 2026

By: /s/ *William Buchanan*

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re: CROWN BOILER CO., LLC, Debtor. ______________________________ THE UNITED STATES TRUSTEE, Movant, v. CROWN BOILER CO., LLC, Respondent.	Chapter 11 Case No. 26-20515-JCM ECF No. Related to ECF No.

ORDER

AND NOW, this ________ day of ________________, 2026, upon consideration of and hearing on the Motion of the United States Trustee for an Order Directing the Appointment of a Trustee Under 11 U.S.C. § 1104 of the Bankruptcy Code, or in the alternative, Converting the Case or Dismissing the Case (the "Motion"), and upon finding cause for the appointment of a chapter 11 trustee, it is hereby ORDERED that the Motion is GRANTED. The United States Trustee is directed to appoint a chapter 11 trustee pursuant to 11 U.S.C. § 1104(d).

BY THE COURT:

____
John C. Melaragno
United States Bankruptcy Judge