UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re: CROWN BOILER CO., LLC Debtor.	Case No. 26-20515 Chapter 11
CROWN BOILER CO., LLC, Movant v. No Respondent.	Related to Docket No:

AFFIDAVIT OF NICK RIBICH IN SUPPORT OF
COMPLEX CHAPTER 11 DESIGNATION AND FIRST DAY MOTIONS

I, Nick Ribich, hereby declare under penalty of perjury as follows:

Position and Authority

1. I am the Vice President and Chief Financial Officer of Burnham Holdings, Inc., the parent company of Crown Boiler Co., LLC (the "Debtor" or "Crown Boiler"). I am authorized to submit this affidavit on behalf of the Debtor. I have personal knowledge of the matters set forth herein or have obtained knowledge from the Debtor's books and records and discussions with management and advisors.

Description of the Debtor's Business and Operations

2. Crown Boiler was a manufacturer of residential and commercial heating equipment, including cast iron boilers, water heaters, and related HVAC components. Founded in 1958, the company established itself as a significant participant in the American boiler manufacturing industry, producing equipment for both residential heating applications and light

commercial use. Like many industrial manufacturers of its era, Crown Boiler's historical operations occurred during a period when asbestos-containing materials were commonly used in the manufacture of heating equipment. Asbestos was valued for its heat-resistant and insulating properties, making it a standard component in boilers, gaskets, insulation materials, and related heating products manufactured during much of the twentieth century.

3. Beginning in the latter decades of the twentieth century, scientific and medical understanding of the severe health consequences of asbestos exposure became widely recognized. As a result, individuals alleging harm from asbestos exposure began pursuing personal injury claims against manufacturers of asbestos-containing products, including boiler manufacturers such as Crown Boiler. Burnham Holdings, Inc. acquired Crown Boiler in February 2003, including its legacy liabilities. By this time, asbestos-containing products were no longer being used in Crown Boiler’s products.

4. Over the years, Crown Boiler was named as a defendant in approximately 1,521 asbestos-related personal injury lawsuits filed by individuals claiming exposure to asbestos through the company's products. These legacy asbestos claims represent long-tail liabilities, as asbestos-related diseases often have latency periods of several decades between initial exposure and the manifestation of illness. Accordingly, despite the cessation of asbestos use in manufacturing, claims continued to be asserted against the company based on historical product sales. As of the Petition Date, there were about 434 open claims against the company, including in the Western District of Pennsylvania, and the Debtor expects that, absent its bankruptcy filing, hundreds of additional cases could be filed against the Debtor over the coming decades. Since inception of its asbestos-related litigation, over $25 million in claims have been paid and the Debtor incurred over $19 million in defense related costs, as part of asbestos-related covered

claims and claims without coverage. Such extraordinary and ongoing costs of the litigation have been a significant and continuing burden on the Debtor.

5. In 2025, Crown Boiler commenced a wind-down of its business operations. The decision to wind down the company's operations was influenced by multiple factors, including the ongoing burden of defending and resolving asbestos litigation, the associated costs of insurance coverage disputes and litigation defense, and the broader financial and operational challenges facing the company. The wind-down process involved the cessation of manufacturing activities, the disposition of assets, and the transition toward resolving outstanding obligations, including pending and anticipated asbestos claims.

6. Although the Debtor no longer has a physical business location, it chose to file its Chapter 11 voluntary petition in the United States Bankruptcy Court for the Western District of Pennsylvania for a number of reasons. First, the Debtor has a number of its current tort creditors in this district. Second, its banking relationship with PNC Bank is also centered in the district. Third, some of its insurance coverage is with a carrier located within the district. While there are other permissible venues for the Debtor in both the Eastern District of Pennsylvania and the Middle District of Pennsylvania, the Debtor believes the Western District is also a permissible jurisdiction within the meaning and effect of the statute. Part of the team to be responsible for the Debtor's liquidation, including an anticipated chief liquidation officer, is also located in Pittsburgh. Additionally, given its rich history in handling asbestos-related bankruptcy cases, the Debtor thought creditors would be benefited and well served by that experience.

7.

Reasons for the Chapter 11 Filing

8. This Chapter 11 case reflects the company's efforts to address its substantial contingent and unliquidated legacy asbestos liabilities, as well as pending non-asbestos personal injury and property damage claims and related litigation costs and insurance coverage issues, through the bankruptcy process, which is expected to provide a structured forum for the resolution of claims and the equitable treatment of creditors. The volume and projected cost of these claims have created financial pressure and uncertainty that cannot be fairly and equitably resolved outside of the Chapter 11 process. Companies facing substantial asbestos liabilities have frequently utilized the bankruptcy process to establish trusts for the payment of current and future asbestos claims, obtain relief from ongoing litigation, and achieve a global resolution of liabilities.

9. In the bankruptcy case, Crown Boiler's legacy asbestos claims constitute a significant category of its liabilities. The company faces both pending claims asserted by individuals who have already manifested asbestos-related disease and potential future claims by individuals, who were exposed to the company's products, but have not yet manifested symptoms. The bankruptcy process will involve the estimation of these liabilities, negotiations with claimants' representatives, and the establishment of a trust to pay present and future asbestos claims pursuant to a confirmed plan of liquidation.

Organizational Structure

10. The Debtor is a Pennsylvania limited liability company. The Debtor does not have publicly traded equity. The Debtor is 100% owned by Burnham Holdings, Inc.

Capital Structure

11. The Debtor's estimated assets and liabilities fall within the ranges stated in its petition. The Debtor's capital structure includes:

(i) Secured indebtedness as guarantor of Burnham Financial, LLC's revolving line of credit secured liability to each Fulton Bank, N.A., as administrative agent, and PNC Bank, National Association;

(ii) Trade and ordinary course unsecured debt;

(iii) Contingent, unliquidated asbestos-related claims;

(iv) Contingent, unliquidated non-asbestos-related claims; and

(v) Insurance assets relating to legacy coverage policies.

Employees

12. As of December 28, 2025, the Debtor no longer had any employees.

Retiree and Pension Obligations

13. The Debtor participates in a fully funded defined benefit pension plan or plans, which will be the subject of a motion to honor such obligations.

Use of Cash Collateral and DIP Financing

14. The Debtor anticipates filing a Motion for Authority to Use Cash Collateral and a Motion to Obtain Debtor-in-Possession Financing.

15. Pursuant to, *inter alia*, a Revolving Loan Note between Burnham Financial, LLC and Fulton Bank, N.A. ("Fulton Bank"), a Revolving Loan Note between Burnham Financial, LLC and PNC Bank, National Association ("PNC Bank"), a Creditor Agreement by and among, *inter alia*, Fulton Bank, PNC Bank, Burnham Financial, LLC, Thermal Solutions Products, LLC, and the Debtor, and a Pledge and Security Agreement, all dated October 17, 2023, Fulton Bank and PNC

Bank may claim a lien upon or an interest in, among other things, the Debtor's personal property, including inventory, accounts, and other cash assets, the proceeds of which may constitute cash collateral. The Debtor is a "Grantor" under the Pledge and Security Agreement, to secure obligations under the revolving lines of credit in the amount of $72 million.

16. As a result of the financial circumstances outlined above, the Debtor is in need of post-petition borrowing in order to: (a) address short term liquidity issues, (b) to maximize the value of the Estate and (c) to maximize the ultimate return to creditors through the monetization and administration of assets necessary to pay creditors.

17. The Debtor requires access to the post-petition financing, in addition to the continued use of minimal pre-petition cash collateral, in order to satisfy near-term and long-term expenses critical to its Chapter 11 efforts, including the costs of administration, which, in turn, will preserve and maximize the value of the Debtor's estate.

Insurance and Warranty Programs

18. The Debtor anticipates filing a motion to honor its warranty program. In the ordinary course of business, the Debtor provided a warranty that its parts or finished products are free from defects in material and workmanship ("Warranty Program"). These warranties are largely provided to Velocity Boiler Works, the Debtor's affiliate, who sold Crown Boiler products and/or parts, who then directly handles all warranty claims from any consumer or contractor. As of the Petition Date, there are over 31,000 registered holders of warranties provided by the Debtor, but no pending asserted warranty claims.

Case Administration

19. Given the asbestos-related liabilities, the Debtor anticipates filing a motion for the appointment of a legal representative for future asbestos claimants, pursuant to Section 524(g) of the Bankruptcy Code.

20. Due to the volume of creditors and potential claims in the case, the Debtor anticipates filing a motion to appoint a claims and noticing agent.

21. The Debtor also anticipates filing a motion to employ a chief liquidation officer.

22. These motions are necessary to protect the interests of future claimants and to efficiently administer the anticipated volume of claims.

Employment of Professionals

23. The Debtor has filed or will file an application to employ lead and local counsel and accompanying declarations. The Debtor anticipates filing additional employment applications as necessary.

Need for Immediate Relief

24. Approval of the First Day Motions described above will preserve value, protect stakeholders, and provide a framework for pursuing a liquidation and Section 524(g) trust.

Conclusion

25. The Debtor believes that Chapter 11 provides the best mechanism to equitably address present and future asbestos claims, maximize value, and establish a permanent resolution through a Section 524(g) trust.

I DECLARE UNDER PENALTY OF PERJURY PURSUANT TO THE PROVISIONS OF 28 U.S.C. § 1746 THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF.

Dated: March 12, 2026.

DocuSigned by:
Nick Ribich
7DFD138C6E5D4A0...

Nick Ribich
Vice President and Chief Financial Officer
of Burnham Holdings, Inc., the parent
company of Crown Boiler Co., LLC