IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	**Chapter 11**
	:	
VALVES AND CONTROLS US, INC.,	:	**Case No. 25-11403 ([●])**
	:	
Debtor.[1]	:	

DECLARATION OF SCOTT M. TANDBERG IN SUPPORT OF DEBTOR'S CHAPTER 11 PETITION AND FIRST DAY RELIEF

I, Scott M. Tandberg, pursuant to section 1746 of title 28 of the United States Code, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am the Chief Restructuring Officer ("**CRO**") of Valves and Controls US, Inc. ("**Valves**" or the "**Debtor**") and have served in that capacity since April 2025 after serving as Deputy Restructuring Officer of Valves since November 2024. I am also a Partner and Managing Director at AP Services, LLC ("**AlixPartners**"). In such capacity and as CRO of Valves, I am familiar with Valves' day-to-day functions, books and records, financial affairs, and the circumstances leading to the commencement of this chapter 11 case.

2. I have over 20 years of experience in financial advisory roles, specializing in restructuring situations. I have served in advisory and officer roles in chapter 11 and restructuring engagements across multiple industries, including industrial and manufacturing. I have a Master of Science in Accounting degree from Brigham Young University. I am a CFA (Chartered Financial Analyst) charterholder, a Certified Public Accountant, and a Certified Insolvency and Restructuring Advisor.

[1] The last four digits of the Debtor's federal tax identification number are 3959. The Debtor's mailing address is 777 Main Street, Suite 2050, Fort Worth, TX 76102.

3. On the date hereof (the "**Petition Date**"), Valves commenced with the Court a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). I submit this declaration (the "**Declaration**") to assist the Court and other parties in interest in understanding the circumstances and events that led to the commencement of Valves' chapter 11 case and in support of the motions that Valves has filed with the Court (the "**Motions**"). I believe the relief sought in the Motions serves the best interest of Valves' estate, creditors, and other parties in interest.

4. Except as otherwise indicated herein, the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by Valves or its affiliates or employees of AlixPartners working directly with me or under my supervision, my experience with Valves' finances and remaining functions, and my discussions with Weil, Gotshal & Manges LLP, counsel to the Debtor ("**Weil**" and, collectively with AlixPartners and Valves' other advisors, the "**Advisors**"). If called upon to testify, I would and could testify competently to the facts set forth in this Declaration on that basis. I am authorized to submit this Declaration on behalf of Valves.

5. This Declaration is organized into four sections. Section I provides an overview of Valves and this chapter 11 case. Section II provides background information on Valves' corporate history and prior business. Section III describes the events leading to the commencement of this chapter 11 case. Section IV summarizes the relief requested in, and the legal and factual bases supporting, the Motions.

I. Overview

6. Valves is a non-operational subsidiary of the Weir Group PLC (together with its subsidiaries other than Valves, "**Weir**"), a global leader in mining technology headquartered in Glasgow, Scotland. Incorporated in 1900 in Salem, Massachusetts, Valves

(previously known as Atwood & Morrill) pioneered valve design engineering in power generation, oil and gas, and petrochemicals. Although Valves never manufactured an asbestos product, it allegedly incorporated asbestos-containing parts and materials procured from other manufacturers into its products until 1985. Five years later, in 1990, Weir acquired Valves.

7. Valves' alleged use of asbestos-containing products has led to various products liability being asserted against Valves (collectively, the "**Asbestos Claims**" and the holders of such claims, collectively, the "**Asbestos Claimants**"). The number of Asbestos Claims filed against Valves has increased dramatically in recent years, from 373 claims filed in 2011 to 740 claims filed in 2023, 892 claims filed in 2024, and 458 claims filed in 2025 through July 24, 2025. As discussed in more detail below, Valves has settled Asbestos Claims, with insurance covering a portion of the defense and settlement costs. Valves, however, completely exhausted its available insurance in May of this year (other than with respect to the Missing Policies (as defined below)). Valves is aware of approximately 2,632 unresolved Asbestos Claims against Valves.

8. Although Valves disputes all asbestos-related liability, its ever-growing litigation costs are not sustainable, and its remaining assets will likely be depleted years before all existing and future Asbestos Claims are resolved. As discussed further below, prior to the Petition Date, Valves commenced negotiations with a committee of Asbestos Claimants, formed in October 2024, and Weir, regarding the terms of a potential consensual chapter 11 plan (the "**Plan**") to address the Asbestos Claims. Valves is commencing this case with the goal of availing itself of the protections of the automatic stay under the Bankruptcy Code while it continues negotiations with the Asbestos Claimants and Weir regarding the terms of a Plan that will maximize recoveries for creditors.

9. If consensus can be reached with a sufficient number of Asbestos Claimants, Valves anticipates the Plan would provide for, among other things, (i) the creation of a liquidation trust (the "**Liquidation Trust**") to resolve and make distributions to holders of Asbestos Claims from assets to be contributed to the Liquidation Trust by Valves and Weir, (ii) a settlement and release of any estate claims and causes of action in exchange for contributions to the Liquidating Trust, and (iii) the orderly wind down of Valves. Valves believes that the filing of this chapter 11 case, with the eventual creation of the Liquidation Trust, is the most efficient and expeditious way to provide fair and equitable treatment of holders of Asbestos Claims.

II. Background

A. History and Valves' Prior Business

10. In 1900, Atwood & Morrill Co., Inc. ("**A&M**") began its business manufacturing a single valve product in Salem, Massachusetts. Thereafter, A&M went on to develop engineering and manufacturing capabilities, producing a growing line of products for the steam lines of New England's mills, including steam traps, regulators, back pressure valves, and check valves. In 1929, A&M introduced a valve for turbine extraction applications, the modern version of which continues to be the power industry standard for turbine protection. Weir acquired A&M in 1990 and subsequently rebranded A&M as Valves, a leading manufacturer and supplier of high technology valves to the power industry. Upon information and belief, Weir was not aware of Valves having any alleged asbestos liabilities when it acquired Valves in 1990. Moreover, Valves ceased the use of any asbestos products in 1985 and, thus, did not place any asbestos-laden products into the stream of commerce following Weir's purchase. Weir did not become aware of the potential asbestos liabilities until claimants began asserting the appearance of asbestos-related conditions and filing the Asbestos Claims against Valves in 2000.

11. In the Weir family tree of entities, Valves was part of the "Flow Control Business." As discussed in more detail herein, Weir sold the entire Flow Control Business, including Valves' operating assets, to First Reserve in 2019. Following the sale, Valves' business was reduced to managing Valves' legacy asbestos liabilities.

B. Corporate Structure and Governance

12. Valves, a Delaware corporation, is a wholly-owned subsidiary of TWG Investments (No. 8) Limited, an indirect subsidiary of the Weir Group PLC.

13. The Valves board of directors (the "**Board**") currently consists of three members: Asa Altmark, Gareth Young, and Paul Aronzon. On April 15, 2024, the Board (i) appointed Paul Aronzon to serve as an independent and disinterested director (the "**Independent Director**") on the Board and (ii) formed a special committee (the "**Special Committee**") with the Independent Director as the sole member thereof. The Board granted the Special Committee the power and authority to, among other things, (a) oversee, direct, and, to the extent determined appropriate by the Special Committee, participate in discussions and negotiations with respect to any strategic alternative transaction ("**Transaction**"), (b) consider, evaluate, and recommend to the Board any Transaction or any action, agreement, or undertaking related to or in furtherance thereof, (c) oversee the negotiation, documentation, and once approved by the Board, the execution and implementation of any Transaction, and (d) investigate all material transactions entered into by Valves with its affiliates, including Weir.

14. Valves has no employees. A list of all individuals who hold officer positions with Valves is included below. Asa Altmark and Gareth Young are employees of Weir. Wes Wadle, General Counsel of the Weir Group PLC (North America), also provides services to Valves as General Counsel.

Name	Position
Asa Altmark	President and Treasurer
Gareth Young	Vice President and Secretary
Scott Tandberg	Chief Restructuring Officer

C. First Reserve Sale

15. To focus on its more profitable industries, namely mining and construction, Weir decided to divest the Flow Control Business. To that end, the Weir Group PLC conducted a marketing process through which FR Flow Control HoldCo Limited ("**FR HoldCo Limited**" and, together with its affiliates party to the purchase agreement, "**First Reserve**") emerged as a potential purchaser. On February 25, 2019, the Weir Group PLC, FR HoldCo Limited, Weir Group Holdings Limited, and FR Flow Control France BidCo SAS entered into that certain Sale and Purchase Agreement for the Flow Control Business of the Weir Group PLC (the "**SPA**"). At the time of the First Reserve Sale, Weir concluded that no potential buyer would be willing to acquire the alleged asbestos liabilities as part of an acquisition of Valves or the Flow Control Business. Weir also concluded that Valves' assets were a necessary component of the Flow Control Business, which would be far less marketable to potential buyers if Valves' assets were not included in a potential transaction.

16. Pursuant to the SPA, First Reserve purchased certain assets, including Valves' line of products, for an aggregate purchase price of $300 million (the "**Purchase Price**" and the sale transaction, the "**First Reserve Sale**"). First Reserve, however, was not willing to acquire Valves' alleged asbestos liability.

17. To enable the First Reserve Sale and further its broader strategy goals, Weir agreed that Valves' alleged asbestos liability and associated insurance policies would remain with

Valves as First Reserve was unwilling to assume or take transfer of such liabilities. Pursuant to the SPA, Weir Group PLC and First Reserve agreed to allocate $45 million of the Purchase Price ("**Valves Sale Proceeds**") to the value of Valves' assets, which, together with certain insurance policies, would be available to address any potential legacy liabilities associated with Asbestos Claims.

18. Contemporaneously with the First Reserve Sale, Valves loaned the Valves Sale Proceeds to WHW Group, Inc. ("**WHW**"), a subsidiary of the Weir Group PLC (the "**Proceeds Loan**"), pursuant to a promissory note issued by WHW in favor of Valves in a principal amount of $45 million. Following the First Reserve Sale, Valves did not continue any business operations, and its sole focus became resolving the Asbestos Claims. As of the Petition Date, Valves remains non-operational.

D. Indemnification

19. In connection with the First Reserve Sale, First Reserve negotiated for an indemnification from both Valves and a Weir affiliate to limit its potential exposure to the Asbestos Claims. Specifically, on February 25, 2019, Valves, FR Flow Control Vales US Bidco, Inc., and ESCO Group LLC ("**ESCO**"), a subsidiary of the Weir Group PLC, entered into that certain *US Asbestos Protections Agreement* (the "**APA**") whereby Valves and ESCO jointly and severally agreed to indemnify First Reserve against any asbestos liability relating to Valves' assets up to a cap of $75 million (the "**Indemnification**"), subject to and in accordance with the terms of the APA. ESCO's indemnification obligations under the APA, however, would only apply following (i) the erosion of Valves' insurance coverage and (ii) the utilization of the Valves Sale Proceeds. In addition, under the APA, Valves agreed to use the Valves Sale Proceeds and Valves' insurance policies in connection with the payment, satisfaction, and administration of Asbestos Claims, the payment of administrative fees and taxes incurred by Valves to maintain its good standing, and the

payment of any costs incurred by First Reserve that First Reserve would otherwise be entitled to receive pursuant to the Indemnification.

E. Intercompany Cash Management Agreements

20. Since the First Reserve Sale, Valves and WHW have entered into cash management agreements with respect to the Proceeds Loan on an annual basis (the "**Cash Management Agreements**"). Pursuant to the Cash Management Agreements, WHW provides funds to Valves in repayment of the Proceeds Loan when required to satisfy Asbestos Claims and other costs of Valves. The Valves Sale Proceeds have earned interest for the benefit of Valves pursuant to the Cash Management Agreements. Prior to the Petition Date, Valves requested that WHW repay the full amount of the Proceeds Loan, together with any interest accrued thereon. On July 8, 2025, WHW repaid to Valves accrued principal and interest on the Proceeds Loan, which principal amount had increased over time to account for WHW's use of certain of Valves' tax attributes. As a result, Valves holds approximately $48 million in its bank account as of the Petition Date, which will be used to fund the administrative costs of this chapter 11 case and to fund the Liquidation Trust to resolve and make distributions on account of Asbestos Claims.

III. Key Events Leading to Commencement of Chapter 11 Case

A. Valves' Prepetition Asbestos Litigation

21. As noted above, although Valves never manufactured an asbestos product, it allegedly incorporated asbestos-containing parts and materials procured from other manufacturers into its products, which has led to the assertion of Asbestos Claims against Valves. The cost of litigating the Asbestos Claims has increased dramatically. In 2011, settlements totaled $963,000 and defense costs totaled approximately $1.95 million, whereas in 2024, settlements totaled approximately $8.3 million and defense costs totaled approximately $4.5 million. The majority of payments to defend and resolve Asbestos Claims have historically been satisfied

through Valves' available insurance coverage. Such coverage has gradually eroded, with approximately $12 million of insurance coverage remaining as of January 1, 2024, approximately $2 million as of January 31, 2025, and complete exhaustion as of May 1, 2025. Specifically, on April 15, 2025, Travelers Insurance Company (together with its affiliates, "**Travelers**") notified Valves that its remaining coverage would be fully eroded by May 1, 2025 and that Travelers would continue paying defense costs for Asbestos Claims only through May 31, 2025 (other than with respect to the Missing Policies (as defined below)). Further, Valves' insurance only covered Asbestos Claims alleging dates of first exposure to asbestos-containing products prior to May 1981. This gap in coverage equated to approximately two to five uninsured cases per year, the costs of which Valves paid out of the Valves Sale Proceeds.

22. As a result of the erosion of its available insurance, absent the protections of the automatic stay available in chapter 11, Valves would be required to pay all defense-related costs out-of-pocket, which would result in significant costs to Valves, as new Asbestos Claims continue to be filed, and less value would be ultimately available to pay claimants. Given the rapidly dwindling insurance coverage, increasing Asbestos Claims, and limited assets, Valves determined it should evaluate potential strategic alternatives to address its increasing asbestos liability allegations.

B. Valves' Prepetition Restructuring Efforts

23. Beginning in August 2023, under Weil's guidance, Valves reviewed potential strategic alternatives to address its increasing alleged asbestos liabilities. Such alternatives included (i) maintaining the status quo by pursuing out-of-court settlements, seeking dismissals, or defending cases at trial, and paying out individual settlements and verdicts as they came due, (ii) pursuing an out-of-court restructuring to resolve Valves' alleged asbestos liabilities,

and (iii) implementing a comprehensive resolution of the alleged asbestos liabilities through a chapter 11 filing.

24. After reviewing potential strategic alternatives under the guidance of the Special Committee, Valves determined that its best path forward was to implement a restructuring through a chapter 11 case and Plan to, among other things, (i) create the Liquidation Trust to provide for the efficient resolution and fair and equitable treatment of Asbestos Claims, (ii) settle and release estate claims and causes of action, including those, if any, against Weir and First Reserve, in exchange for a Weir contribution that would be used to fund the Liquidation Trust, (iii) provide for the consensual release of claims against certain third parties, and (iv) facilitate an orderly wind down of Valves.

25. Valves took a series of steps to effectuate a potential restructuring through the chapter 11 process. Such steps included Valves, on behalf of the Special Committee, engaging Paul Hastings LLP ("**Paul Hastings**") to evaluate potential causes of action that Valves might have against Weir or current and former directors and officers (the "**Investigation**"). Upon completion of the Investigation, Valves, with the oversight of the Special Committee, (i) began discussions with Weir, represented by Katten Muchin Rosenman LLP, regarding a potential settlement to resolve the Asbestos Claims and (ii) determined it was in Valves' and its creditors' best interests to organize a committee of plaintiffs' firms with which to negotiate the terms of a consensual chapter 11 plan.

26. Starting in October 2024, Valves engaged with an ad hoc group of plaintiffs' firms (collectively, the "**Asbestos Claimants' Committee**" or "**ACC**") to commence settlement discussions. To help facilitate settlement discussions, the ACC retained (i) Robinson & Cole LLP

("**RC**") as legal counsel in November 2024, (ii) FTI Consulting as financial advisor in February 2025, and (iii) Cohen Ziffer Frenchman & McKenna, as insurance counsel in March 2025.

27. As of the Petition Date, the ACC was composed of the following law firms: (i) Belluck Law, LLP, (ii) Galiher DeRobertis & Waxman, LLP, (iii) Goldberg Persky White, P.C., (iv) Maune Raichle Hartley French & Mudd, LLC, (v) Meirowitz & Wasserberg, LLP, (vi) Simmons Hanley Conroy, (vii) SWMW Law, LLC, (viii) The Gori Law Firm, (ix) Waters Kraus Paul & Siegel, (x) Weitz & Luxenberg, P.C., and (xi) Wilentz, Goldman & Spitzer, PA. Valves estimates that that the law firms composing the ACC represent approximately 65% of the Asbestos Claims that have been asserted against Valves as of the Petition Date.

28. Following RC's engagement, the ACC sent various diligence requests to Valves, requesting certain documents and responses relating to the value of Valves' assets, including its claims and causes of action against third parties. The Advisors, working with Valves, provided responses to RC through a virtual data room. Additionally, Weil and RC met frequently (often weekly) to discuss the ACC's diligence requests and other issues relevant to a potential chapter 11 settlement.

29. In addition to these document requests, the ACC requested several interviews in connection with its diligence. To that end, the ACC interviewed Wes Wadle, General Counsel of the Weir Group PLC (North America), as a corporate representative of Valves to respond to questions posed to Valves, on February 25, 2025. The ACC also interviewed Paul Aronzon, Valves' independent director, on March 12, 2025.

30. In connection with the ACC's diligence into Valves' potential claims and causes of action, the ACC requested additional information from First Reserve relating to the First

Reserve Sale and potential claims against First Reserve. Prior to the Petition Date, Valves contacted First Reserve to commence discussions regarding the requested information.

31. Although Valves, the ACC, and Weir have made substantial progress on negotiations regarding a settlement to be implemented through the terms of a Plan, after the exhaustion of its insurance coverage (other than with respect to the Missing Policies), Valves commenced this chapter 11 case before negotiations concluded to protect its assets from further erosion from litigation costs. Valves intends to continue negotiations with Asbestos Claimants and Weir in chapter 11 and is hopeful it can ultimately reach an agreement with such parties on the terms of a consensual Plan.

C. Travelers Settlement

32. Prior to the Petition Date, Travelers and other insurers provided insurance to Valves that covered Valves' defense costs as well as settlements (unless related to a date of first exposure after 1981) in accordance with certain insurance policies. As noted above, Valves' remaining insurance coverage under known, locatable policies with Travelers fully eroded on May 1, 2025. Prior to the Petition Date, Valves identified certain asbestos insurance policies of A&M issued by Travelers providing coverage for January 1, 1968 to January 1, 1970 (the "**Missing Policies**"), which Valves has been unable to locate. Valves and Travelers have engaged in negotiations regarding a potential settlement for Travelers to buy back the Missing Policies. Valves and Travelers have not yet finalized the settlement but anticipate doing so during the course of this chapter 11 case.

33. Based upon the foregoing, I believe this chapter 11 case will maximize value for the Asbestos Claimants, including by creating an efficient mechanism for Asbestos Claimants to recover on their claims and ensuring an orderly wind-down of Valves. I also understand that the ACC supports a chapter 11 filing as a means to maximize the amount of value

distributable to the Asbestos Claimants through the efficient resolution of the Asbestos Claims. Valves currently anticipates the Plan will incorporate trust distribution procedures that would provide for streamlined procedures to ensure equal treatment among similarly situated Asbestos Claimants and substantially lower costs to liquidate Asbestos Claims compared to costs outside of chapter 11 or a liquidation under chapter 7 of the Bankruptcy Code.

IV. Motions

34. The Motions seek relief to allow Valves to meet necessary obligations and fulfill its duties as debtor in possession. I am familiar with the contents of each Motion and believe that the relief sought in each Motion is necessary to enable Valves to transition into this chapter 11 case with minimal disruption. Valves has narrowly tailored these requests for authority to pay certain prepetition claims in instances where the failure to pay would cause immediate and irreparable harm to Valves and its estate.

A. Cash Management Motion

35. Pursuant to the *Motion of Debtor for Entry of Interim and Final Orders (I) Authorizing Debtor to Continue Using Existing Bank Account and (II) Granting Related Relief* (the "**Cash Management Motion**"), filed contemporaneously herewith, the Debtor requests that the Court (i) authorize the Debtor to continue using and maintaining its commercial checking account (the "**Bank Account**") at JPMorgan Chase Bank, N.A. (the "**Bank**") and (ii) grant related relief.

36. Specifically, I understand that the Cash Management Motion requests that the Court waive the requirements of the United States Trustee Chapter 11 Operating and Reporting Guidelines for Debtors in Possession (the "**UST Operating Guidelines**") with respect to the Bank Account. I understand that the UST Operating Guidelines generally require that a chapter 11

debtor, among other things, (i) establish one debtor-in-possession account for all estate monies required for the payment of taxes, (ii) close all existing bank accounts and open new debtor-in-possession accounts, and (iii) maintain a separate debtor-in-possession account for collateral. I believe that strict enforcement of the UST Operating Guidelines with respect to the Bank Account would disrupt Valves' limited operations, its disbursement obligations, and administration of this chapter 11 case. In addition, I understand the Bank Account complies with section 345(b) of the Bankruptcy Code, as the Bank is party to a Uniform Depository Agreement.

37. The Cash Management Motion also seeks approval to pay service charges and other fees in connection with maintenance of the Bank Account (the "**Bank Fees**"). I believe payment of the Bank Fees is in the best interests of the Debtor and all parties in interest in this chapter 11 case, as it will prevent unnecessary disruptions to the Bank Account and ensure that the Debtor's receipt of, and access to, funds are not delayed. I also understand that payment of the prepetition Bank Fees will not prejudice any parties in interest as the Bank likely has setoff rights for the Bank Fees.

38. Based on the foregoing, I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtor's estate and all parties in interest and should be granted.

B. Creditor List Motion

39. Pursuant to the *Motion of Debtor For Entry of Order (I) Authorizing Debtor to (A) Redact Certain Personal Identification Information and (B) File List of Top Law Firms With Asbestos Claims in Lieu of List of 20 Largest Unsecured Creditors, (II) Approving Noticing Procedures For Asbestos Claimants, (III) Granting Related Relief* (the "**Creditor List Motion**"), filed contemporaneously herewith, the Debtor requests that the Court authorize the Debtor to

(i) authorize the Debtor and Kroll Restructuring Administration LLC, the Debtor's proposed claim and noticing agent (the "**Claims Agent**"), to redact from the Debtor's list containing the name and complete address of each creditor, as required by Rule 1007-2(a) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "**Creditor Matrix**"), and other documents filed in this chapter 11 case, certain personal identification information of individual creditors, (ii) authorize the Debtor to file a list of the top 20 law firms with the most significant representations of Asbestos Claimants as determined by the volume of Asbestos Claims asserted against the Debtor, in lieu of the list of the 20 largest unsecured creditors, (iii) approve the implementation of certain notice procedures for Asbestos Claimants by which the Debtor will (or will direct the Claims Agent to) send required notices, mailings, and other communications related to this chapter 11 case to known counsel of record for the Asbestos Claimants and Asbestos Claimants with known addresses, and (iv) grant related relief.

40. I believe that cause exists to authorize the Debtor to redact the home addresses, email addresses, and other personal identification information (collectively, the "**Personal Identification Information**") of individuals from the Creditor Matrix, the Debtor's schedules of assets and liabilities and statements of financial affairs (collectively, the "**Schedules**"), affidavits or certificates of service, and any other document filed or to be filed with the Court in this chapter 11 case. Further, the Debtor proposes to provide, upon request, an unredacted version of the Creditor Matrix and any other documents to the Court, the U.S. Trustee, and counsel to any official committees appointed in this chapter 11 case.

41. Additionally, I believe that attempting to designate certain individual Asbestos Claimants as holding the "largest" unsecured claims would be arbitrary. I understand that the vast majority of pending Asbestos Claims are disputed, contingent, or unliquidated. I also

understand that debtors in asbestos mass tort cases regularly list the primary plaintiffs' firms representing numerous plaintiffs as their top unsecured creditors in lieu of listing individual claimants. As such, I do not believe that listing individual Asbestos Claimants with the largest unsecured claims against the Debtor would facilitate the U.S. Trustee's appointment of any official creditors' committee.

42. To ensure that Asbestos Claimants receive proper and timely notice of filings and critical events in this chapter 11 case, the Debtor is seeking approval of certain procedures, which will ensure Asbestos Claimants with both known and unknown addresses receive actual notice (either directly or through their counsels of record).

43. Based on the foregoing, I believe that the relief requested in the Creditor List Motion is in the best interests of the Debtor, its estate, and all other parties in interest and should be granted in all respects.

C. Insurance Motion

44. Pursuant to the *Motion of Debtor for Entry of Order (I) Authorizing Debtor to Maintain Insurance Programs and (II) Granting Related Relief* (the "**Insurance Motion**"), filed contemporaneously herewith, the Debtor requests that the Court authorize the Debtor to (i) maintain its Insurance Programs (as defined below) in accordance with their terms and to perform with respect thereto in the ordinary course of business, including to pay any broker, advisor fees, taxes, or other fees (all obligations owed under the Insurance Programs, the "**Insurance Obligations**") arising during this chapter 11 case, and (ii) grant related relief.

45. The Debtor participates in various insurance programs (collectively, the "**Insurance Programs**") through several insurance carriers. Specifically, the Insurance Programs include various liability and other insurance programs that provide the Debtor with

insurance related to, among other things, directors' and officers' liability and general liability. Historically, Weir has paid premiums under the Insurance Programs based on fixed rates established and billed by each Insurance Carrier, as well as any other Insurance Obligations, on behalf of Valves.

46. I understand that, as of the Petition Date, the Debtor is not aware of any outstanding Insurance Obligations it owes to the various Insurance Carriers for the Insurance Programs. Out of an abundance of caution, the Debtor filed the Insurance Motion seeking the authority to continue to participate in and maintain the Insurance Programs in the ordinary course, including by paying any Insurance Obligations the Debtor may owe during the course of this chapter 11 case. The Debtor maintains the Insurance Programs to help manage and limit the various risks associated with its limited operations, which I believe is essential to preserve the value of the Debtor's assets.

47. Based on the foregoing, I believe that the relief requested in the Insurance Motion is in the best interests of the Debtor, its estate, and all other parties in interest and should be granted.

D. Taxes Motion

48. Pursuant to the *Motion of Debtor for Entry of an Order (I) Authorizing Debtor to Pay Prepetition Taxes and Assessments and (II) Granting Related Relief* (the "**Taxes Motion**"), filed concurrently herewith, the Debtor requests that the Court authorize the Debtor to (i) pay all prepetition taxes (collectively, the "**Taxes**") due and owing to certain state and federal taxing and other governmental authorities (collectively, the "**Taxing Authorities**") that arose prior to the Petition Date, including all Taxes subsequently determined by audit or otherwise to be owed for periods prior to the Petition Date, and (ii) grant related relief.

49. In the ordinary course of business, the Debtor incurs federal and state income and margin taxes (the "**Income Taxes**"). Such taxes are calculated as a percentage of the Debtor's taxable income and multiplied by the blended federal and consolidated state rate. I understand that the Debtor is part of a consolidated tax group with certain of its affiliates, including WHW. Accordingly, WHW estimates and pays Income Taxes on behalf of the consolidated tax group on a quarterly basis. After the end of each calendar year, typically in January, WHW prepares and files consolidated federal and state returns and reconciles any estimated taxable income of the Debtor. As part of such reconciliation, WHW determines whether the Debtor owes WHW on account of Income Taxes paid on the Debtor's behalf or if WHW owes the Debtor for the use of tax attributes generated by the Debtor during the applicable taxing period to offset taxable income of other entities in the consolidated tax group. Historically, any Income Taxes owed by the Debtor were offset against the balance of the Proceeds Loan and its accrued interest, and similarly, WHW reimbursed the Debtor for use of tax attributes through an increase to the balance of the Proceeds Loan. To the extent any amounts are determined to be owed by the Debtor to WHW on account of Income Taxes paid on the Debtor's behalf, or reimbursements from WHW are owed to the Debtor for use of the Debtor's tax attributes, such balances will be settled in cash during the pendency of the chapter 11 case.

50. Additionally, the Debtor incurs certain franchise taxes (the "**Franchise Taxes**"), which are imposed by state governments for the privilege of doing business in the relevant jurisdiction. The Debtor directly pays any Franchise Taxes it owes in the State of Delaware on an annual basis.

51. I understand that the Debtor is not aware of any outstanding Taxes it owes to the Taxing Authorities as of the Petition Date. Out of an abundance of caution, the Debtor seeks

authority to pay any prepetition Taxes that may come due and to pay any postpetition amounts that come due and owing during this chapter 11 case consistent with past practice.

52. Based on the foregoing, I believe that the relief requested in the Taxes Motion is in the best interest of the Debtor, its estate, and all parties in interest and should be approved.

Conclusion

53. The above describes Valves' background and the factors that precipitated commencement of this chapter 11 case. The rights, protections, and tools set forth in the Bankruptcy Code will assist Valves in preserving its assets as it looks to negotiate a settlement with the Asbestos Claimants regarding the terms of a chapter 11 plan.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: July 25, 2025
Denver, Colorado

/s/ Scott M. Tandberg
Name: Scott M. Tandberg
Title: Chief Restructuring Officer