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Counsel to Huntington Ingalls Industries, Inc.

UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA

In re:

HOPEMAN BROTHERS, INC.,

Debtor.

Chapter 11

Case No. 24-32428 (KLP)

HUNTINGTON INGALLS INDUSTRIES, INC.'S PRELIMINARY OBJECTION AND RESERVATION OF RIGHTS REGARDING MOTION OF DEBTOR FOR ENTRY OF INTERIM AND FINAL ORDERS EXTENDING AUTOMATIC STAY TO STAY ASBESTOS-RELATED ACTIONS AGAINST NON-DEBTOR DEFENDANTS

Huntington Ingalls Industries, Inc. ("HII"), by and through undersigned counsel, pursuant

Fed.R.Bankr.P. 9014, hereby files this preliminary objection and reservation of rights (the

"Objection") to the Motion of the Debtor For Entry of Interim and Final Orders Extending the

Automatic Stay to Stay Asbestos-Related Actions Against Non-Debtor Defendants [ECF No. 7]

(the "Stay Motion").¹ In support of the Objection, HII respectfully states as follows:

¹ As provided in the *Notice of Adjournment of Matters Scheduled for Hearing on August 6, 2024* [ECF No. 89], "[e]xcept as expressly agreed by the Debtor and any applicable party in intertest," the deadline to file an objection to the Stay Motion passed on July 30, 2024. Prior to expiration of that deadline, the Debtor and HII agreed that HII may file an objection to, *inter alia*, the Stay Motion through and including August 30, 2024.



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BACKGROUND

1. The Debtor filed the Stay Motion on June 30, 2024. The Stay Motion seeks entry of interim and final orders staying third party plaintiffs from prosecuting pending asbestos-related actions against insurers (collectively, the "**Insurers**") of non-debtor Wayne Manufacturing Corporation ("**Wayne**") and former officers and directors of the Debtor and Wayne (collectively, the "**Former D&Os**" and together with the Insurers, the "**Protected Parties**"). Stay Motion ¶ 1; ECF No. 7 at 1. The requested stay would include, without limitation, the thirty-five (35) lawsuits listed on Exhibit 1 to the Proposed Interim Order (the "**Direct Action Lawsuits**") as to any of the Protected Parties, as well as any new actions against the Protected Parties. Stay Motion ¶ 1; ECF No. 7 at 1-2. The Court entered its *Interim Order Extending the Automatic Stay to Asbestos-Related Actions Against Non-Debtor Defendants* [ECF No. 35] (the "**Interim Order**") on July 3, 2024.

2. HII is the largest military shipbuilding company in the United States and has more than a 135-year history of advancing U.S. national defense. *See* Who We Are, *Huntington Ingalls Inc.*, https://hii.com/who-we-are/. HII is regularly named as a co-defendant alongside the Debtor and non-debtor Wayne Manufacturing Corporation ("**Wayne**") in asbestos-related actions. Many of the relevant suits are brought under Louisiana law and in Louisiana state and federal courts.

3. As referenced in the Stay Motion and the *Opposition and Objection to Motion of the Debtor for Entry of Interim and Final Orders Extending the Automatic Stay to Stay Asbestos-Related Actions Against Non-Debtor Defendants* [ECF No. 86] (the "Louisiana Plaintiffs' Objection") filed by Janet Rivet and Kayla Rivet (surviving spouse and child of Tommy Rivet), Maxine Becky Polkey Ragusa, Valerie Ann Ragusa Primeaux, and Stephanie Jean Ragusa Connors (surviving spouse and children of Frank P. Ragusa, Jr.), and Erica Dandry Constanza and

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Monica Dandry Hallner (surviving children of Michael Dandry, Jr.) (collectively, the "**Louisiana Plaintiffs**"), under the applicable Louisiana Direct Action Statute,² suit may be brought in certain circumstances directly against the insurer of an alleged tortfeasor. The Louisiana Plaintiffs seek to prosecute, and the Debtors seek to stay, actions under the Direct Action Statute.

4. Another facet of Louisiana law—virile share liability—is at play among the defendants in the Direct Action Lawsuits.³ Virile share provides that financial liability is equally split among all defendants who are found to be at fault. *See Harvey v. Travelers Ins. Co.*, 163 Co.2d 915, 919 (La. Ct. App. 1964) ("When two or more debtors are liable *in solido*, whether the obligation arises from a contract, a quasi contract, an offense, or a quasi offense, it should be divided between them. As between the solidary debtors, each is liable only for his virile portion of the obligation." (quoting Article 2103 of the Louisiana Civil Code, as amended by Act 30 of 1960)). Any reduction in the number of parties that may be counted or credited for virile shares in the asbestos-related lawsuits involving HII and any Protected Parties will therefore substantially harm HII, and such harm is distinct from that of the Louisiana Plaintiffs.⁴

5. Moreover, virile share provides that a plaintiff may recover the entirety of a damages award from any defendant. However, any defendant required to pay more than its equal share may seek contribution from those who have not paid. *See Harvey*, 163 Co.2d at 920-1 ("Our

² Louisiana courts apply the relevant law at the time of exposure. See Cole v. Celotex Corp., 599 So. 2d 1058, 1072, 1076-77 (La. 1992). "Direct Action Statute" therefore refers to La. R.S. § 22:1269, or the related relevant statute at the time of alleged exposure.

³ While Louisiana enacted the Louisiana Comparative Fault Law, which became effective August 1, 1980, this change was forward-looking only and many of these cases are therefore decided using virile share principles. *See Cole.*, 599 So. 2d at 1072 ("[W]e conclude that the allocation of fault among defendants is governed by pre-Act, virile share principles.").

⁴ Virile shares may be credited, for example, when a plaintiff in a tort action settles with and releases a joint tortfeasor. *Cole*, 599 So. 2d at 1073 n. 41.

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conception of the existing jurisprudence is that a solidary debtor under a conventional obligation, who pays the entire debt to the creditor, becomes legally subrogated to the rights of the creditor against the other solidary obligors for their proportionate part of the debt."). HII has therefore asserted contribution premised on virile share liability against the Debtor and Liberty Mutual, as insurer to Wayne, in asbestos-related litigation. *See, e.g.*, Huntington Ingalls Incorporated's Answer, Affirmative Defenses, Counter-Claim, Cross-Claims, Third-Party Complaint, and Jury Demand, *Allo v. Huntington Ingalls, Inc.* (E.D. La. No. 2:23-CV-06006), ECF No. 7 at 7-8 attached hereto as Exhibit A ("Alternatively, while denying any and all liability, [HII] is entitled to virile share contributions from the Counter-Claim, Cross-Claim, and Third-Party Defendants [including the Debtor and Liberty Mutual Insurance Company] for any and all amounts for which [HII] may be cast in judgment and virile share credits or set-offs with respect to all Counter-Claim, Cross-Claim, and Third-Party Defendants who may settle Plaintiff's claims."). Such actions are included in cases the Debtor seeks to stay.⁵

OBJECTION

6. HII has requested from the Debtors but not yet received certain insurance policies and agreements, other documents, and related information pertaining to the Protected Parties.⁶ Without the benefit of a full evidentiary record, it is impossible for HII to evaluate the propriety of extending the protections of the automatic stay to the Protected Parties. As set forth above, such an extension could cause severe financial harm to HII. Perhaps even more critical, the paucity of information included in the Stay Motion has hamstrung the Court and interested parties in their

⁵ For example, *Allo* is case number 1 on Exhibit 1 to the Stay Motion. *See* ECF No. 7 at 24.

⁶ HII and the Debtor are currently engaged in informal discovery, and such discovery is occurring on a rolling basis. HII has received and is in the process of reviewing some documents that the Debtor deemed responsive to its requests.

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ability to even evaluate whether this Court has subject matter jurisdiction to issue the requested relief.

7. For this Court to have even related-to jurisdiction to extend the automatic stay to actions against the insurers of a non-debtor, such actions would have to threaten to deplete the *Debtor*'s estate. While the automatic stay may be extended to co-defendants in litigation, "there must be unusual circumstances and certainly something more than the mere fact that one of the parties to the lawsuit has filed a Chapter 11 bankruptcy must be shown in order that proceedings be stayed against non-bankrupt parties." *A.H. Robins Co. v. Piccinin*, 788 F.2d 994, 999 (4th Cir. 1986) (internal quotations and alterations omitted). "This 'unusual situation,' it would seem, arises when there is such identity between the debtor and the third-party defendant that the debtor may be said to be the real party defendant and that a judgment against the third-party defendant will in effect be a judgment or finding against the debtor." *Id.*

8. While courts in this Circuit may from time-to-time stay actions that threaten the *Debtor*'s insurance because such policies provide value to the estate, that rationale is stretched past its limit if there is no chance for such action to limit the Debtor to obtain payment under such policy—either because the Debtor was not entitled to payment to begin with *or* because such payments are not capped. *See Piccinin*, 788 F.2d at 1001-02 (4th Cir. 1986) (holding that the automatic stay applied to actions "against the insurer or against officers or employees *of the debtor*" because depletion of the insurance policy would deplete the value of the estate. (emphasis added)). Although the Stay Motion baldly alleges that insurance policies may have shared coverage with the Debtor, and that any depletion of any policy by Wayne would serve to deplete such policy for the Debtor, there is simply no way to determine the accuracy of such statements without review of the relevant policies, their policy limits, and their beneficiaries. *See* Stay Motion

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¶ 16, ECF No. 7 at 5. Given the importance of establishing this Court's jurisdiction, it is a bridge too far for the parties and Court to take it on faith that claims against insurance policies held by a non-debtor may somehow deplete this estate.

9. HII therefore respectfully requests this Court set a date for an evidentiary hearing and issue a scheduling order allowing for sufficient discovery (to include, at a minimum, substantial document discovery and depositions of the Debtor and the relevant insurers) in advance thereof. Moreover, HII presently objects to the extension of the stay to the Protected Parties for any period past such an evidentiary hearing.

RESERVATION OF RIGHTS

10. The Debtor's skeletal Stay Motion is wholly inadequate to justify the sweeping relief sought. HII is without sufficient information to determine whether the protections of the automatic stay should be extended to the Protected Parties on a final basis. Indeed, without knowing the exact nature of the contractual and other obligations owed between the Debtor and the Protected Parties, HII cannot say with certainty whether the Debtor is correct, whether the theories espoused in the Louisiana Plaintiffs' Objection are correct, or whether there may be other theories as to why HII or other parties in interest should not be barred from pursuing asbestos-related relief from the Protected Parties. HII therefore reserves the right, upon receipt of sufficient information, to supplement and amend this objection.

CONCLUSION

For the foregoing reasons, HII presently objects to the extension of the stay to the Protected Parties beyond the period necessary for a comprehensive evidentiary hearing preceded by adequate discovery. HII reserves all rights to amend or supplement its Objection after discovery has concluded. Dated: August 30, 2024

Respectfully submitted,

/s/ Dion W. Hayes

Dion W. Hayes (VSB No. 34304) Sarah B. Boehm (VSB No. 45201) Connor W. Symons (VSB No. 98418) **McGUIREWOODS LLP** Gateway Plaza 800 East Canal Street Richmond, Virginia 23219 Telephone: (804) 775-1000 Email: dhayes@mcguirewoods.com sboehm@mcguirewoods.com cysmons@mcguirewoods.com

Counsel to Huntington Ingalls Industries, Inc.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 30th day of August 2024, a true and correct copy of the foregoing Notice of Appearance was served via the Court's electronic case filing system (CM/ECF) to all parties registered to receive such notice in the above-captioned case.

/s/ Dion W. Hayes Dion W. Hayes Case 24-32428-KLP Doc 135-1 Filed 08/30/24 Entered 08/30/24 14:41:36 Desc Exhibit(s) A Page 1 of 24

Exhibit A

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA

CHARLES ALLO, III	*	DOCKET NO. 2:23-CV-06006
	*	
Plaintiff VERSUS	*	
	*	
	*	JUDGE CARL J. BARBIER
	*	
HUNTINGTON INGALLS, INC., et al.	*	MAGISTRATE JUDGE
	*	KAREN WELLS ROBY
Defendants	*	

HUNTINGTON INGALLS INCORPORATED'S ANSWER, AFFIRMATIVE DEFENSES, COUNTER-CLAIM, <u>CROSS-CLAIMS, THIRD-PARTY COMPLAINT, AND JURY DEMAND</u>

NOW INTO COURT, through undersigned counsel, comes Third-Party Defendant, Huntington Ingalls Incorporated (f/k/a Northrop Grumman Shipbuilding, Inc. [erroneously referred to as Northrup Grumman Shipbuilding, Inc.], f/k/a Northrop Grumman Ship Systems, Inc. [erroneously referred to as Northrup Grumman Ship Systems, Inc.], f/k/a Avondale Industries, Inc., f/k/a Avondale Shipyards, Inc., f/k/a Avondale Marine Ways, Inc.) (hereinafter "Avondale" or "Defendant"), who, in response to the Third-Party Complaint (the "Complaint") filed by Hopeman Brothers, Inc. ("Hopeman") (R. Doc. 2-3), files the following Answer, Affirmative Defenses, Counter-Claim, Cross-Claims, Third-Party Complaint, and Jury Demand:

I.

The allegations contained in Paragraph 1 of the Complaint are admitted upon information and belief.

II.

The allegations contained in Paragraph 2 of the Complaint are denied for lack of sufficient information to justify a belief therein.

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III.

The allegations contained in Paragraph 3 of the Complaint are denied to the extent they are directed against Avondale and/or its employees, officers, directors, or insurers. To the extent those allegations relate to other defendants, they are denied for lack of sufficient information to justify a belief therein.

IV.

The allegations contained in Paragraph 4 of the Complaint are denied.

V.

The allegations contained in Paragraph 5 of the Complaint are denied.

VI.

The allegations contained in Paragraph 6 of the Complaint are denied insofar as said allegations assert any fault or liability of Avondale and/or its employees, officers, directors, or insurers. Said allegations are further specifically denied to the extent that they assert that Avondale designed and/or manufactured any asbestos-containing products. Otherwise, the allegations are denied for lack of sufficient information to justify a belief therein.

VII.

The allegations contained in Paragraph 7 of the Complaint are denied insofar as said allegations assert any fault or liability of Avondale and/or its employees, officers, directors, or insurers. The allegations contained in Paragraph 7 of the Complaint are further specifically denied to the extent that they assert that Avondale designed and/or manufactured any asbestoscontaining products. Otherwise, said allegations are denied for lack of sufficient information to justify a belief therein.

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VIII.

The allegations contained in Paragraph 8 of the Complaint are denied.

IX.

The allegations contained in Paragraph 9 of the Complaint are denied insofar as they constitute legal conclusions. Otherwise, said allegations are denied.

Х.

The allegations contained in Paragraph 10 of the Complaint, including Subparagraphs (a) through (d), are denied insofar as they constitute legal conclusions. Otherwise, said allegations are denied.

XI.

The allegations contained in Paragraph 11 of the Complaint are denied insofar as they constitute legal conclusions. Otherwise, said allegations are denied.

XII.

Further, and out of an abundance of caution, Avondale denies all allegations of the Complaint not specifically admitted, denied, or responded to herein for lack of sufficient information to justify a belief therein.

AFFIRMATIVE DEFENSES

AND NOW, further responding to the Complaint, Avondale asserts the following Affirmative Defenses:

FIRST DEFENSE

Avondale denies any and all allegations of fault or other basis of liability. Avondale denies that it is guilty of any wrongdoing with respect to the supervision of employees on Avondale's premises, denies any wrongdoing with respect to Plaintiff, Charles Allo, III

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("Plaintiff"), and/or Charles Allo, Jr., and denies any wrongdoing with regard to safety precautions taken on its behalf.

SECOND DEFENSE

Plaintiff is barred from prosecuting this action because of his and/or Charles Allo, Jr's knowledge of and assumption of the risks and the dangers associated with asbestos.

THIRD DEFENSE

Avondale avers that the alleged injury complained of by Plaintiff herein, if any, was caused by the sole and/or concurrent negligence of Plaintiff and/or Charles Allo, Jr. in failing to properly care for their own protection and safety, and/or to properly utilize safety equipment, thus barring any recovery herein.

FOURTH DEFENSE

If the alleged injury complained of by Plaintiff herein, if any, is found to have been caused by acts or omissions of Avondale, then the negligence of Plaintiff and/or Charles Allo, Jr. was a contributing cause of the injury, thus either barring or diminishing Plaintiff's entitlement to recovery.

FIFTH DEFENSE

The alleged injury complained of by Plaintiff herein, if any, was caused by acts, omissions, commissions, or conditions, which were the responsibility of persons other than Avondale and for whom Avondale has no legal responsibility.

SIXTH DEFENSE

Plaintiff's injuries and/or damages, if any, were the result of an act of God or unavoidable accident.

4

SEVENTH DEFENSE

Plaintiff's cause of action has prescribed or been extinguished in some other manner.

EIGHTH DEFENSE

Plaintiff's cause of action is barred by the doctrine of accord and satisfaction.

NINTH DEFENSE

Plaintiff's cause of action is barred by the doctrine of *Res Judicata*.

TENTH DEFENSE

Any settlement with, or release of, any manufacturer, distributor, supplier, or vendor of the asbestos-containing products that gave rise to the injuries alleged in this lawsuit extinguishes any secondary or derivative strict liability that may be alleged in this lawsuit.

ELEVENTH DEFENSE

In the event Plaintiff settles with and/or otherwise releases any solidary obligors without reserving his rights to proceed against the remaining solidary obligors, then the debt to Plaintiff is discharged as to any remaining solidary obligors pursuant to that version of La. Civ. Code art. 2203 in effect at the time of the alleged acts and omissions which form the basis of this lawsuit.

TWELFTH DEFENSE

In the event Plaintiff settles with and/or otherwise releases any person or entities, whether named as defendants or not, then Avondale is entitled to a credit for the virile shares of those settling/released persons or entities.

THIRTEENTH DEFENSE

Some or all of Plaintiff's claims, injuries, or damages are subject to application of comparative fault that must, according to Louisiana law, be assessed as to all at fault persons, including Plaintiff.

FOURTEENTH DEFENSE

Plaintiff's claims are barred by the government contractor immunity defense established in *Boyle v. United Technologies Corporation*.

FIFTEENTH DEFENSE

Plaintiff's claims are barred by derivative sovereign immunity as set forth in *Yearsley v*. *W.A. Ross Construction Co.*, and its progeny.

SIXTEENTH DEFENSE

Plaintiff's sole remedy for the injuries complained of herein, if any, is provided for exclusively in the Louisiana Workers' Compensation Act or the Longshore and Harbor Workers' Compensation Act, which bars all allegations herein.

SEVENTEENTH DEFENSE

In the event that Avondale is found liable, which liability is specifically denied, Avondale avers that it is entitled to a set off of all amounts recovered under the Longshore and Harbor Workers' Compensation Act or, alternatively, the Louisiana Workers' Compensation Act, if any, against any judgment which may be rendered arising out of this litigation.

EIGHTEENTH DEFENSE

Hopeman is not entitled to recover from Avondale, as the alleged injury complained of by Plaintiff herein, if any, was caused by acts, omissions, commissions, or conditions, which were the sole responsibility of Hopeman.

NINETEENTH DEFENSE

Avondale adopts herein by reference as though set forth i*n extenso* all allegations against Hopeman as asserted in Plaintiff's Original Petition for Damages (R. Doc. 2-2) insofar as they assert the fault, negligence, strict liability, and any other basis of liability against Hopeman.

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COUNTER-CLAIM, CROSS-CLAIMS, AND THIRD-PARTY DEMAND

1.

Plaintiff Charles Allo, III ("Plaintiff") filed an Original Petition for Damages (R. Doc. 2-2) ("Petition") against Hopeman Brothers, Inc. ("Hopeman") and other defendants in Louisiana state court seeking damages for injuries allegedly sustained as a result of his and/or his father's alleged asbestos exposure and his alleged contraction of asbestosis.

2.

Huntington Ingalls Incorporated ("Avondale") has been named as a third-party defendant by Hopeman in this case.

3.

Avondale filed a Notice of Removal, removing this matter to this Court on October 11, 2023 (R. Doc. 2).

4.

Avondale denies any and all liability in this case.

5.

Alternatively, while denying any and all liability, Avondale is entitled to virile share contributions from the Counter-Claim, Cross-Claim, and Third-Party Defendants for any and all amounts for which Avondale may be cast in judgment and virile share credits or set-offs with respect to all Counter-Claim, Cross-Claim, and Third-Party Defendants who may settle Plaintiff's claims.

6.

Made Counter-Claim Defendant herein is:

Hopeman Brothers, Inc.

Made Cross-Claim Defendants herein are:

- A. Anco Insulations, Inc.;
- B. Liberty Mutual Insurance Company (as insurer of Wayne Manufacturing Co.); and
- C. Taylor-Seidenbach, Inc.

Made Third-Party Defendants herein are:

- A. Bayer CropScience, Inc. (as successor to Rhone-Poulenc AG Company, f/k/a Amchem Products, Inc., f/k/a Benjamin Foster Co.);
- B. Foster Wheeler, LLC (d/b/a Foster Wheeler Corporation);
- C. General Electric Company;
- D. International Paper Company (Individually and as successor by merger to Champion International Corporation and U.S. Plywood);
- E. Manville Personal Injury Settlement Trust ("Manville Trust"), as successorin-interest to the Johns-Manville Corporation, a trust organized and existing under the laws of the State of New York, and administered through the Claims Resolution Management Corporation, a subsidiary of the Manville Personal Injury Settlement Trust, a company organized and existing under the laws of the Commonwealth of Virginia;
- F. Paramount Global, f/k/a ViacomCBS Inc., f/k/a CBS Corporation, a Delaware corporation, f/k/a Viacom Inc., successor by merger to CBS Corporation, a Pennsylvania corporation, f/k/a Westinghouse Electric Corporation; and
- G. Uniroyal Holding, Inc.

7.

Plaintiff alleges that he contracted asbestosis from exposure to asbestos from Avondale Shipyards and from other sites.

8.

Avondale adopts herein by reference as though set forth in *extenso* all allegations against the Counter-Claim and Cross-Claim Defendants as asserted in Plaintiff's Petition insofar as they assert the fault, negligence, strict liability, and any other basis of liability against the Counter-Claim and Cross-Claim Defendants. Avondale further alleges that Plaintiff's allegations against the Counter-Claim and Cross-Claim Defendants are equally applicable to the fault, negligence, strict liability, and other bases for liability against the Third-Party Defendants and therefore

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adopts and specifically asserts, as if set forth *in extenso*, those allegations against the foregoing Third-Party Defendants. Avondale affirmatively and specifically disavows any allegations against the Counter-Claim, Cross-Claim and Third-Party Defendants based on intentional tort.

9.

The Counter-Claim, Cross-Claim and Third-Party Defendants that supplied asbestoscontaining materials to any job site where Plaintiff and/or Charles Allo, Jr., worked, including but not limited to Avondale, are strictly liable as commercial suppliers and/or professional vendors for any asbestos-related injuries allegedly sustained by Plaintiff, as well as all damages alleged in the Petition.

10.

The Counter-Claim, Cross-Claim and Third-Party Defendants are all miners, manufacturers, sellers, distributors, suppliers, installers, and/or users of asbestos products, and/or are insurers of miners, manufacturers, sellers, distributors, suppliers, installers, and/or users of asbestos products, and/or were engaged in or materially participated in the business of manufacturing or facilitating the manufacturing of asbestos products, or representing themselves as manufacturers of asbestos products, and/or were commercial suppliers and/or professional vendors of asbestos or asbestos-containing products, which were expected to and did reach the job sites and workplaces of Plaintiff and/or Charles Allo, Jr., from which Plaintiff was allegedly exposed to asbestos.

11.

The products mined, manufactured, distributed, supplied, sold, and/or used by the Counter-Claim, Cross-Claim and Third-Party Defendants were defective, unreasonably dangerous, and unreasonably dangerous *per se*. Plaintiff and Charles Allo, Jr. were intended and/or foreseeable users and/or bystanders exposed to these products. These defects include,

without limitation, the following:

- a. the mining, manufacture, sale, supply, distribution and use of products that are unreasonably dangerous or unreasonably dangerous *per se*;
- b. the mining, manufacture, sale, supply, distribution and use of products that possess inherent and known properties that make them unreasonably dangerous by presenting potential for causing serious injury and death to those who would be exposed to them;
- c. lack of warning or of sufficient warning of the hazards these products would present in the course of their normal, foreseeable manufacture use or intended use;
- d. lack of safety instruction or of sufficient safety instruction for eliminating or reducing the health risks associated with the intended ultimate use of these products;
- e. failure to inspect these products to assure sufficiency and adequacy of warnings and safety cautions;
- f. failure to test or adequately test these products for defects or hazards that they could present to the intended or foreseeable users;
- g. failure to truthfully report or adequately report the results of product testing, and medical studies associated with foreseeable hazards of exposure to these products by intended or foreseeable users, bystanders and others;
- h. failure to properly design these products where the nature of the product did not require use of asbestos mineral or where alternate, equally suitable substances were readily available;
- i. defects in the composition and construction of these products;
- j. failure to recall these products mined, manufactured, sold, supplied and distributed;
- k. failure to properly package these products so that they could be safely transported, handled, stored, or disposed; and

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1. over-warranting the safety of these products that were manufactured, sold or supplied by the cross-defendants and third-party defendants.

12.

The fault and defective products of the Counter-Claim, Cross-Claim and Third-Party Defendants are the proximate cause of the alleged injury and damages, if any, as set forth in the Petition.

13.

The Counter-Claim, Cross-Claim and Third-Party Defendants are liable for negligence, fault, strict liability and strict products liability in connection with the manufacturing, distributing, design and/or installation of asbestos-containing products which were defective in design, unreasonably dangerous *per* se, and for failure to warn Plaintiff and/or Charles Allo, Jr. concerning asbestos hazards posed by their products.

14.

Third-Party Defendants, General Electric Company ("General Electric") and Paramount Global, f/k/a ViacomCBS, Inc., f/k/a CBS Corporation, a Delaware Corporation, f/k/a Viacom, Inc., successor by merger with CBS Corporation, a Pennsylvania Corporation, f/k/a Westinghouse Electric Corporation ("Westinghouse") were manufacturers of asbestos-containing products, component parts, and/or equipment, including steam turbines. Products, materials, component parts and/or equipment manufactured by General Electric and Westinghouse were used at Avondale. If Plaintiff was exposed to some level of dust from products used at Avondale, which is denied, General Electric and Westinghouse are liable for negligence, fault, professional vendor liability, and strict liability and strict products liability in connection with the manufacturing, distributing and design of asbestos-containing products used at Avondale which

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were defective in design, unreasonably dangerous, unreasonably dangerous *per se*, and for failure to warn purchasers, users, and others such as Plaintiff, Charles Allo, Jr., and/or Avondale. General Electric and Westinghouse are, therefore, liable for Plaintiff's alleged injuries, if any.

15.

General Electric and Westinghouse knew or should have known that exposing Plaintiff, Charles Allo, Jr., and those similarly situated, to asbestos would cause injury and, despite that knowledge, General Electric and Westinghouse did not provide proper instructions and/or warnings to Avondale and others for which General Electric and Westinghouse are liable.

16.

General Electric and Westinghouse were aware or should have been aware of the dangers presented by exposure to their asbestos products and that Plaintiff and/or Charles Allo, Jr. and others similarly situated could be injured as a result of this type of exposure, but negligently failed to institute protective measures and to warn Plaintiff, Charles Allo, Jr., and/or Avondale of the potential health hazards from exposure to asbestos and was negligent in allegedly allowing Plaintiff and/or Charles Allo, Jr., to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

17.

Further, Westinghouse was a manufacturer, seller, distributor, supplier and/or user of asbestos-containing products, including Fire Retardant Decorative Micarta ("FRDM" or "Micarta"), and was engaged in or materially participated in the business of manufacturing or facilitating the manufacturing of asbestos-containing products and/or was a commercial supplier and/or professional vendor of asbestos-containing products.

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18.

Westinghouse was aware or should have been aware of the dangers presented by exposure to its asbestos products and that Plaintiff and/or Charles Allo, Jr., and others similarly situated, could be injured as a result of this type of exposure, but negligently failed to institute protective measures and/or warn Plaintiff, Charles Allo, Jr., and/or Avondale of the potential health hazards from exposure to asbestos and was negligent in allegedly allowing Plaintiff and/or Charles Allo, Jr. to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

19.

As a manufacturer, seller, distributor, supplier, and/or user of asbestos products, Westinghouse knew or should have known that exposing Plaintiff and/or Charles Allo, Jr., and those similarly situated, to asbestos would cause injury and, despite that knowledge, Westinghouse did not provide proper instructions and/or warnings to Avondale and others, for which Westinghouse is liable pursuant to Louisiana Civil Code article 2315.

20.

At all times relevant hereto, Westinghouse manufactured, sold, distributed, and/or supplied asbestos-containing products, materials, and/or component parts, including asbestoscontaining FRDM, which was used by Defendant Wayne Manufacturing Co. ("Wayne Manufacturing") in its manufacture of wallboard sold and installed by Hopeman on vessels at Avondale. If Plaintiff and/or Charles Allo, Jr. was exposed to some level of asbestos-containing dust from products used at Avondale, which is denied, Westinghouse is liable for negligence, fault, strict products liability and strict liability in connection with the design, manufacturing, and distributing of asbestos-containing products, which were defective in design, unreasonably

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dangerous, and unreasonably dangerous *per se*, and for failure to warn purchasers, users, bystanders, and others, such as this defendant, Plaintiff and/or Charles Allo, Jr. concerning asbestos hazards posed by its products. Westinghouse is therefore liable for Plaintiff's alleged injuries, including his alleged asbestosis, if any.

21.

International Paper Company is the successor to U.S. Plywood. U.S. Plywood was instrumental in the development of Westinghouse's FRDM and served as its sole distributor from the time it was developed in approximately 1956 until sometime in the early to mid-1970s. Plaintiff and/or Charles Allo, Jr. were exposed to FRDM, which was cut and installed by Hopeman on vessels at Avondale, and said exposure was a substantial contributing cause of Plaintiff's injuries, including his alleged asbestosis, if any. International Paper Company is strictly liable and was negligent as set forth herein.

22.

U.S. Plywood was aware or should have been aware of the dangers presented by exposure to its asbestos products and that Plaintiff and/or Charles Allo, Jr., and others similarly situated, could be injured as a result of this type of exposure, but negligently failed to institute protective measures and/or warn Plaintiff, Charles Allo, Jr., and/or Avondale of the potential health hazards from exposure to asbestos and was negligent in allegedly allowing Plaintiff and/or Charles Allo, Jr. to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

23.

As a seller, distributor, and/or user of asbestos products, U.S. Plywood knew or should have known that exposing Plaintiff and/or Charles Allo, Jr., and those similarly situated, to

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asbestos would cause injury and, despite that knowledge, U.S. Plywood did not provide proper instructions and/or warnings to Avondale and others for which U.S. Plywood is liable pursuant to Louisiana Civil Code article 2315.

24.

U.S. Plywood was instrumental in the development of Westinghouse's asbestoscontaining FRDM. At all times relevant hereto, U.S. Plywood served as the sole distributor of FRDM, which was used by Wayne Manufacturing in its manufacture of wallboard sold and installed by Hopeman on vessels at Avondale. If Plaintiff and/or Charles Allo, Jr. were exposed to some level of asbestos-containing dust from products used at Avondale, which is denied, U.S. Plywood is liable for negligence, fault, strict products liability and strict liability in connection with the design, distribution and supply of asbestos-containing products which were defective in design, unreasonably dangerous, unreasonably dangerous *per se*, and for failure to warn purchasers, users, by-standers, and others, such as Plaintiff, Charles Allo, Jr., or Avondale, concerning asbestos hazards posed by its products. U.S. Plywood is therefore liable for Plaintiffs' alleged injuries, including his alleged asbestosis, if any.

25.

Third-Party Defendant, Bayer CropScience, Inc. (successor to Rhone Poulenc AG Company, formally Amchem Products, Inc., formerly Benjamin Foster Company) ("Amchem"), was a manufacturer, seller, distributor, and/or supplier of asbestos-containing products and was engaged in or materially participated in the business of manufacturing or facilitating the manufacturing of asbestos-containing products, including but not limited to Benjamin Foster 81-27 fibrous adhesive.

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26.

Amchem manufactured and sold asbestos-containing products, including but not limited to Benjamin Foster 81-27 fibrous adhesive, used at Avondale and other locations where Plaintiff and/or Charles Allo, Jr. worked, which product was defective, unreasonably dangerous and unreasonably dangerous *per se*. Amchem is strictly liable and was negligent as set forth above.

27.

Amchem was aware or should have been aware of the dangers presented by exposure to its asbestos products and that Plaintiff and/or Charles Allo, Jr., and others similarly situated, could be injured as a result of this type of exposure, but negligently failed to institute protective measures and/or warn Plaintiff, Charles Allo, Jr., and/or Avondale of the potential health hazards from exposure to asbestos, and was negligent in allegedly allowing Plaintiff and/or Charles Allo, Jr. to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

28.

As a manufacturer of asbestos products, Amchem knew or should have known that exposing Plaintiff and/or Charles Allo, Jr., and those similarly situated, to asbestos would cause injury and, despite that knowledge, Amchem did not provide proper instructions and/or warnings to Avondale and others.

29.

At all times relevant hereto, asbestos-containing products and materials manufactured by Amchem were used at Avondale, pursuant to requirements in government contracts and regulations, and used by Avondale in accordance with all federal health and safety precautions. If Plaintiff and/or Charles Allo, Jr. were exposed to some level of asbestos-containing dust from

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products used at Avondale, which is denied, Amchem is liable for negligence, fault, professional vendor liability, and strict liability and strict products liability in connection with the manufacturing, design, and distributing of asbestos-containing products that were defective in design, unreasonably dangerous, and unreasonably dangerous *per se*, and for failure to warn purchasers, users, and others such as Plaintiff, Charles Allo, Jr., and/or Avondale. Amchem is therefore liable for Plaintiff's alleged injuries, including his alleged asbestosis, if any.

30.

Third-Party Defendant, Foster Wheeler LLC ("Foster Wheeler"), was a manufacturer, seller, distributor, and/or supplier of asbestos-containing equipment and products and was engaged in or materially participated in the business of manufacturing or facilitating the manufacturing of asbestos-containing products, including but not limited to asbestos-containing marine boilers and components.

31.

Foster Wheeler manufactured and sold asbestos-containing marine boilers and component materials used at Avondale and other locations where Plaintiff and/or Charles Allo, Jr. worked, which equipment and products were defective, unreasonably dangerous and unreasonably dangerous *per se*. Foster Wheeler is strictly liable and was negligent as set forth above.

32.

Foster Wheeler was aware or should have been aware of the dangers presented by exposure to its asbestos products and that Plaintiff and/or Charles Allo, Jr., and others similarly situated, could be injured as a result of this type of exposure, but negligently failed to institute protective measures and/or warn Plaintiff, Charles Allo, Jr., and/or Avondale of the potential

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health hazards from exposure to asbestos, and was negligent in allegedly allowing Plaintiff and/or Charles Allo, Jr. to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

33.

As a manufacturer of asbestos products, Foster Wheeler knew or should have known that exposing Plaintiff and/or Charles Allo, Jr., and those similarly situated, to asbestos would cause injury and, despite that knowledge, Foster Wheeler did not provide proper instructions and/or warnings to Avondale and others.

34.

At all times relevant hereto, asbestos-containing products and materials manufactured by Foster Wheeler were used at Avondale, pursuant to requirements in government contracts and regulations, and used by Avondale in accordance with all federal health and safety precautions. If Plaintiff and/or Charles Allo, Jr. were exposed to some level of asbestos-containing dust from products used at Avondale, which is denied, Foster Wheeler is liable for negligence, fault, professional vendor liability, and strict liability and strict products liability in connection with the manufacturing, design, and distributing of asbestos-containing products that were defective in design, unreasonably dangerous, and unreasonably dangerous *per se*, and for failure to warn purchasers, users, and others such as Plaintiff, Charles Allo, Jr., and/or Avondale. Foster Wheeler is therefore liable for Plaintiff's alleged injuries, including his alleged asbestosis, if any.

35.

Third-Party Defendant, Uniroyal Holding, Inc. ("Uniroyal") was a manufacturer, seller, distributor, supplier and/or user of asbestos products, including asbestos-containing cloth, tape, yarn, and adhesives, and was engaged in or materially participated in the business of

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manufacturing or facilitating the manufacturing of asbestos products, and/or was a commercial supplier and/or professional vendor of asbestos-containing products.

36.

Uniroyal was aware or should have been aware of the dangers presented by exposure to its asbestos products and that Plaintiff and/or Charles Allo, Jr., and others similarly situated, could be injured as a result of this type of exposure, but negligently failed to institute protective measures and/or warn Plaintiff, Charles Allo, Jr., and/or Avondale of the potential health hazards from exposure to asbestos, and was negligent in allegedly allowing Plaintiff and/or Charles Allo, Jr. to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

37.

As a manufacturer of asbestos products, Uniroyal knew or should have known that exposing Plaintiff and/or Charles Allo, Jr., and those similarly situated, to asbestos would cause injury and, despite that knowledge, Uniroyal did not provide proper instructions and/or warnings to Avondale and others, for which Uniroyal is liable pursuant to Louisiana Civil Code article 2315.

38.

At all times relevant hereto, asbestos-containing products and materials manufactured by Uniroyal were used at Avondale, pursuant to requirements in government contracts and regulations, and used by Avondale in accordance with all federal health and safety precautions. If Plaintiff and/or Charles Allo, Jr. were exposed to some level of asbestos-containing dust from products used at Avondale, which is denied, Uniroyal Holding, Inc. is liable for negligence, fault, professional vendor liability, and strict liability and strict products liability in connection with the

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manufacturing, design, and distributing of asbestos-containing products that were defective in design, unreasonably dangerous, and unreasonably dangerous *per se*, and for failure to warn purchasers, users, and others such as Plaintiff, Charles Allo, Jr., and/or Avondale. Uniroyal Holding, Inc. is therefore liable for Plaintiff's alleged injuries, including his alleged asbestosis, if any.

39.

The Manville Personal Injury Settlement Trust has succeeded to the liabilities of Johns-Manville Corporation, and is the entity subject to claims for contribution or for establishing credits or offsets with respect to the asbestos-related liabilities of Johns-Manville asserted herein. Insofar as Louisiana virile share liability law applies to the Plaintiffs' claims in this case, then Johns-Manville, by and through its respective trust, is brought into this action for the purpose of having its fault allocated in accordance with same. This third-party demand is being asserted against the Trust in accordance with the Trust Distribution Process ("TDP") for the sole purpose of listing the Trust on a verdict form or otherwise as necessary to ensure that any verdict reduction in respect of the Manville (or Trust) liability share is made pursuant to applicable law. Avondale disclaims any claim for relief beyond that which is provided in the TDP. Further, out of an abundance of caution and insofar as it may be required, Avondale waives any requirement of that the Manville Personal Injury Settlement Trust appear, answer, be subject to discovery as a party, or be subject to default or other trial court process or procedure; and Avondale stipulates that it will not move for a continuance of trial on grounds that the Manville Personal Injury Settlement Trust was not required to appear and answer.

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40.

Johns-Manville manufactured asbestos-containing thermal insulation products and other asbestos-containing materials and products to which Plaintiff and/or Charles Allo, Jr. were exposed. Johns-Manville is liable for negligence, fault, strict products liability and strict liability in connection with the manufacturing, distributing and design of asbestos-containing products which were defective in design and unreasonably dangerous *per* se, and for failure to warn Plaintiff and/or Charles Allo, Jr. concerning asbestos hazards posed by its products.

41.

Johns-Manville was aware or should have been aware of the dangers presented by exposure to its asbestos products, and that persons such as Plaintiff and/or Charles Allo, Jr. could be injured as a result of this exposure, but negligently failed to institute protective measures and to warn Plaintiff and/or Charles Allo, Jr. of the potential dangers to his health from exposure to asbestos and was negligent in allowing Plaintiff and/or Charles Allo, Jr. to be exposed to unsafe levels of asbestos, which exposures caused or contributed to Plaintiff's alleged injuries, including his alleged asbestosis, if any.

42.

As a manufacturer of asbestos products, Johns-Manville knew or should have known that exposing Plaintiff and/or Charles Allo, Jr. and those similarly situated, to asbestos would cause injury and, despite that knowledge, Johns-Manville did not provide proper instructions and/or warnings for which Johns-Manville is liable pursuant to Louisiana Civil Code article 2315.

43.

Avondale hereby alleges, based on information and belief, that in addition to alleged exposure to Johns-Manville products at worksites, Plaintiff was exposed to asbestos scrap

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material generated by the Johns-Manville manufacturing facility in Gretna, Louisiana and/or Marrero, Louisiana, and that said exposure to asbestos from Johns-Manville scrap material in his neighborhood, school, and elsewhere, was the sole cause of his alleged damages, including his alleged asbestosis, or a substantial contributing cause.

44.

Johns-Manville used raw asbestos, including crocidolite, at its Gretna facility and later at its Marrero facility, and manufactured asbestos-containing Transite pipe, asbestos-containing roofing shingles, and other asbestos products to which Plaintiff was exposed. Johns-Manville is liable for negligence, fault, strict products liability, and strict liability in connection with the manufacture, sale and distribution of asbestos products and waste material from its manufacturing processes, which materials were defective in design and unreasonably dangerous *per se*, and for failure to warn Plaintiff concerning the hazards posed by its asbestos products and scrap material.

JURY DEMAND

Avondale requests a trial by jury on all issues.

WHEREFORE, Huntington Ingalls Incorporated prays that its Answer, Affirmative Defenses, Counter-Claim, Cross-Claims, and Third-Party Complaint be filed, and that Counter-Claim, Cross-Claim and Third-Party Defendants be duly served and cited, and that after due proceedings are had, there be judgment in favor of Huntington Ingalls Incorporated and against Hopeman Brothers, Inc., dismissing its claims, with prejudice, and at its cost. In the alternative, should Huntington Ingalls Incorporated be found liable for the claims asserted against it by Hopeman Brothers, Inc., which is denied, Huntington Ingalls Incorporated prays that there be further judgment over and against Counter-Claim, Cross-Claim and Third-Party Defendants for

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virile share contributions from all Counter-Claim, Cross-Claim and Third-Party Defendants for any and all amounts owed in connection with such claims, and for all costs of these proceedings. Huntington Ingalls Incorporated further prays for all other equitable and legal relief as the nature of the case may permit and as the law may allow, and for trial by jury of all issues herein.

Respectfully submitted,

IRWIN FRITCHIE URQUHART MOORE & DANIELS LLC

<u>/s/ David M. Melancon</u> Gus A. Fritchie (#5751) Timothy F. Daniels (#16878) David M. Melancon (#23216) Kevin Powell (#25324) Diana J. Masters (#37372) Connor W. Peth (#39499) 400 Poydras Street, Suite 2700 New Orleans, Louisiana 70130 Telephone: 504-310-2100 Facsimile: 504-310-2101 *Counsel for Huntington Ingalls Incorporated*