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NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION, THE COMMISSIONER OF THE NEW JERSEY ENVIRONMENTAL PROTECTION AGENCY, and THE ADMINISTRATOR OF THE NEW JERSEY SPILL COMPENSATION FUND,

Plaintiffs,

VS.

OCCIDENTAL CHEMICAL CORPORATION, TIERRA SOLUTIONS, INC., MAXUS ENERGY CORPORATION, REPSOL YPF, S.A., YPF, S.A., YPF HOLDINGS, INC. and CLH HOLDINGS,

Defendants,

MAXUS ENERGY CORPORATION and TIERRA SOLUTIONS, INC.,

Third-Party Plaintiffs,

VS.

3M COMPANY,
A.C.C., INC.,
ACH FOOD COMPANIES, INC.,
ACTIVE OIL SERVICE,
ADCO CHEMICAL COMPANY,
AGC CHEMICALS AMERICAS, INC.,
ALDEN-LEEDS, INC.,
ALLIANCE CHEMICAL, INC.,
ALUMAX MILL PRODUCTS, INC.,
AMCOL REALTY CO.,
AMERICAN INKS AND COATINGS CORPORATION,

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: ESSEX COUNTY

DOCKET NO. L-9868-05 (PASR)

CIVIL ACTION

ANSWER, AFFIRMATIVE DEFENSES AND R. 4:5-1 CERTIFICATION OF OTIS ELEVATOR COMPANY TO THIRD-PARTY COMPLAINT "B"

APEXICAL, INC., APOLAN INTERNATIONAL, INC., ARKEMA, INC., ASHLAND INC., ASHLAND INTERNATIONAL HOLDINGS, INC., ASSOCIATED AUTO BODY & TRUCKS, INC., ATLAS REFINERY, INC., AUTOMATIC ELECTRO-PLATING CORP., AKZO NOBEL COATINGS, INC., BASF CATALYSTS LLC, BASF CONSTRUCTION CHEMICALS INC., BASF CORPORATION, BAYER CORPORATION, BEAZER EAST, INC., BELLEVILLE INDUSTRIAL CENTER, BENJAMIN MOORE & COMPANY, BEROL CORPORATION, B-LINE TRUCKING, INC., BORDEN & REMINGTON CORP., C.S. OSBORNE & CO., CAMPBELL FOUNDRY COMPANY, CASCHEM, INC., CBS CORPORATION, CELANESE LTD., CHEMICAL COMPOUNDS INC., CHEMTURA CORPORATION, CLEAN EARTH OF NORTH JERSEY, INC., COSMOPOLITAN GRAPHICS CORPORATION, CIBA CORPORATION, COLTEC INDUSTRIES INC., COLUMBIA TERMINALS, INC., COMO TEXTILE PRINTS, INC., CONAGRA PANAMA, INC.; CONOPCO, INC., CONSOLIDATED RAIL CORPORATION, COOK & DUNN PAINT CORPORATION, COSAN CHEMICAL CORPORATION, COVANTA ESSEX COMPANY, CRODA, INC., CRUCIBLE MATERIALS CORPORATION, CURTISS-WRIGHT CORPORATION, CWC INDUSTRIES, INC., DARLING INTERNATIONAL, INC., DAVANNE REALTY CO.,

DELEET MERCHANDISING CORPORATION. DELVAL INK AND COLOR, INCORPORATED, DILORENZO PROPERTIES COMPANY, L.P., E.I. DU PONT DE NEMOURS AND COMPANY, EASTMAN KODAK COMPANY, EDEN WOOD CORPORATION, ELAN CHEMICAL COMPANY, INC., EM SERGEANT PULP & CHEMICAL CO., EMERALD HILTON DAVIS, LLC, ESSEX CHEMICAL CORPORATION, **EXXON MOBIL** F.E.R. PLATING, INC., FINE ORGANICS CORPORATION, FISKE BROTHERS REFINING COMPANY, FLEXON INDUSTRIES CORPORATION, FLINT GROUP INCORPORATED, FORT JAMES CORPORATION, FOUNDRY STREET CORPORATION, FRANKLIN-BURLINGTON PLASTICS, INC., GARFIELD MOLDING COMPANY, INC., GENERAL CABLE INDUSTRIES, INC.; GENERAL DYNAMICS CORPORATION, GENERAL ELECTRIC COMPANY, GENTEK HOLDING LLC, GIVAUDAN FRAGRANCES CORPORATION, G. J. CHEMICAL CO., GOODY PRODUCTS, INC., GORDON TERMINAL SERVICE CO. OF N.J., INC., HARRISON SUPPLY COMPANY. HARTZ MOUNTAIN CORPORATION, HAVENICK ASSOCIATES L.P., HEXCEL CORPORATION, HEXION SPECIALTY CHEMICALS, INC., HOFFMANN-LA ROCHE INC., HONEYWELL INTERNATIONAL INC., HOUGHTON INTERNATIONAL INC., HUDSON TOOL & DIE COMPANY, INC, HY-GRADE ELECTROPLATING CO., ICI AMERICAS INC., INNOSPEC ACTIVE CHEMICALS LLC, INX INTERNATIONAL INK CO., ISP CHEMICALS INC., ITT CORPORATION, .

KEARNY SMELTING & REFINING CORP., KAO BRANDS COMPANY, KOEHLER-BRIGITT STAR, INC., LINDE, INC., LUCENT TECIINOLOGIES, INC., MACE ADHESIVES & COATINGS COMPANY, INC., MALLINCKRODT INC., MERCK & CO., INC., METAL MANAGEMENT NORTHEAST, INC., MI HOLDINGS, INC., MILLER ENVIRONMENTAL GROUP, INC., MORTON INTERNATIONAL, INC., N L INDUSTRIES, INC., NAPPWOOD LAND CORPORATION, NATIONAL FUEL OIL, INC., NATIONAL-STANDARD, LLC, NELL-JOY INDUSTRIES, INC., NESTLE U.S.A., INC., NEW JERSEY TRANSIT CORPORATION, NEWS AMERICA, INC., NEWS PUBLISHING AUSTRALIA LIMITED, NORPAK CORPORATION, NOVELIS CORPORATION, ORANGE AND ROCKLAND UTILITIES, INC., OTIS ELEVATOR COMPANY, PRC-DESOTO INTERNATIONAL, INC., PASSAIC PIONEERS PROPERTIES COMPANY, PFIZER INC., PHARMACIA CORPORATION, PHELPS DODGE INDUSTRIES, INC., PHILBRO, INC., PITT-CONSOL CHEMICAL COMPANY, PIVOTAL UTILITY HOLDINGS, INC., PPG INDUSTRIES, INC., PRC-DESOTO INTERNATIONAL, INC., PRAXAIR, INC., PRECISION MANUFACTURING GROUP, LLC, PRENTISS INCORPORATED, PROCTER & GAMBLE MANUFACTURING COMPANY, PRYSMIAN COMMUNICATIONS CABLES AND SYSTEMS USA LLC, PSEG FOSSIL LLC, PUBLIC SERVICE ELECTRIC AND GAS COMPANY,

PURDUE PHARMA TECHNOLOGIES, INC.,

QUALA SYSTEMS, INC., QUALITY CARRIERS, INC., RECKITT BENCKISER, INC., REICHHOLD, INC., REVERE SMELTING & REFINING CORPORATION, REXAM BEVERAGE CAN COMPANY, ROMAN ASPHALT CORPORATION, ROYCE ASSOCIATES, A LIMITED PARTNERSHIP, R.T. VANDERBILT COMPANY, INC., RUTHERFORD CHEMICALS LLC. S&A REALTY ASSOCIATES, INC., SCHERING CORPORATION, SEQUA CORPORATION, SETON COMPANY, SIEMENS WATER TECHNOLOGIES CORP. SINGER SEWING COMPANY SPECTRASERV, INC., STWB, INC., SUN CHEMICAL CORPORATION, SVP WORLDWIDE, LLC, TATE & LYLE INGREDIENTS AMERICAS, INC., TEVA PHARMACEUTICALS USA, INC., TEVAL CORP., TEXTRON INC., THE DIAL CORPORATION, THE DUNDEE WATER POWER AND LAND COMPANY, THE NEWARK GROUP, INC., THE OKONITE COMPANY, INC., THE SHERWIN-WILLIAMS COMPANY, THE STANLEY WORKS. THE VALSPAR CORPRATION. THIRTY-THREE QUEEN REALTY INC., THREE COUNTY VOLKSWAGEN CORPORATION, TIDEWATER BALING CORP., TIFFANY & CO., TIMCO, INC., TRIMAX BUILDING PRODUCTS, INC., TROY CHEMICAL CORPORATION, INC., UNIVERSAL OIL PRODUCTS COMPANY, V. OTTILIO & SONS, INC., VELSICOL CHEMICAL CORPORATION, VEOLIA ES TECHNICAL SOLUTIONS, L.L.C., VERTELLUS SPECIALTIES INC., VITUSA CORP.,

VULCAN MATERIALS COMPANY, W.A.S. TERMINALS CORPORATION, W.A.S. TERMINALS, INC., W.C. INDUSTRIES, WHITTAKER CORPORATION, WIGGINS PLASTICS, INC., ZENECA INC.,

Third-Party Defendants.

THIRD-PARTY DEFENDANT OTIS ELEVATOR COMPANY'S ANSWER TO MAXUS ENERGY CORPORATION'S AND TIERRA SOLUTIONS, INC.'S THIRD-PARTY COMPLAINT "B"

Otis Elevator Company ("Otis"), by and through its undersigned counsel, and in accordance with this Court's Case Management Order V, Section 9, entered April 16, 2009 ("CMO V"), hereby answers the Third-Party Complaint "B" by Defendants/Third-Party Plaintiffs Maxus Energy Corporation and Tierra Solutions, Inc. ("Third-Party Plaintiffs"), as follows:

GENERALLY

Otis denies each and every allegation contained in Third Party Complaint "B" that is not otherwise herein addressed, including, without limitation, any allegations concerning the relief sought in the First and Second Counts and all headings and titles used in Third-Party Complaint "B".

AS TO PROCEDURAL BACKGROUND

(Paragraphs 1 through 15)

1-15. Otis responds that the referenced pleadings speak for themselves. No response is required pursuant to CMO V.

AS TO THE THIRD-PARTY PLAINTIFFS

(Paragraphs 16 through 18)

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16-18. No response is required pursuant to CMO V.

AS TO THE THIRD-PARTY DEFENDANTS

(Paragraphs 19 through 210)

- 19-210. To the extent that the allegations in Paragraphs 19 through 209 relate to parties other than Otis, no response is required pursuant to CMO V.
- 142. As to the allegations in Paragraph 142, Otis admits that it is a corporation organized under the laws of the State of New Jersey, with a principal place of business at 5 Farm Springs Road, Farmington, Connecticut. Otis denies all other allegations in Paragraph 142.
- 210. The allegations in Paragraph 210 state a legal conclusion to which no response is required. To the extent a response is required, Otis denies the allegations contained in Paragraph 210.

AS TO DEFINITIONS

211-236. Paragraphs 211 through 236 contain definitions. No response is required pursuant to CMO V.

AS TO FACTUAL ALLEGATIONS

(Paragraphs 237 through 3445)

237-3445. The referenced pleadings speak for themselves. No response is required pursuant to CMO V, except to the extent noted below.

(Paragraphs 2114 through 2131)

2114. Otis admits that it previously operated a facility at 1000 First Street in Harrison, Hudson County, New Jersey. The allegation as to the size of the "Otis Elevator Site" is too vague either to inform Otis or to provide knowledge upon which to form belief as to the truth of the allegation. Otis denies Paragraph 2114 to the extent that it refers to "associated"

improvements" other than those present during the period in which Otis conducted operations at the property and installed and controlled by Otis. Otis denies the remaining allegations in Paragraph 2114. Otis' response as to the term "Otis Elevator Site" in Paragraph 2114 is hereby incorporated into Otis' responses to all other paragraphs that refer to the "Otis Elevator Site."

- 2115. Otis admits that the Otis Elevator Site abuts the Passaic River and denies the remaining allegations in Paragraph 2115.
- 2116. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2116.
- 2117. Otis denies the allegations in the first sentence of Paragraph 2117 and admits the allegations in the second sentence of Paragraph 2117.
 - 2118. Otis admits the allegations in Paragraph 2118.
- 2119. Otis admits the allegations in the first and third sentences of Paragraph 2119. Otis admits the allegations in the second sentence of Paragraph 2119 with respect to elevator doors, cabs and platforms. Otis is otherwise without knowledge or information sufficient to form a belief as to the truth of the allegations contained in the second sentence of Paragraph 2120.
- 2120. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 2120.
 - 2121. Otis denies the allegations in Paragraph 2121.
 - 2122. Otis denies the allegations in Paragraph 2122.
- 2123. Otis admits that it received an order from NJDOH on or about the date alleged in Paragraph 2123. As to the contents of such order, the document speaks for itself, and no further response by Otis is required. Otis denies the remaining allegations in Paragraph 2123.

- 2124. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2124.
- 2125. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2125.
- 2126. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2126.
- 2127. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2127.
 - 2128. Otis denies the allegations in Paragraph 2128.
 - 2129. Otis denies the allegations in Paragraph 2129.
- 2130. Otis admits that it received correspondence from EPA on or about the dates alleged in Paragraph 2130. As to the contents of the correspondence, the documents speak for themselves, and no further response by Otis is required. Otis denies the remaining allegations of Paragraph 2130.
- 2131. Paragraph 2131 states a legal conclusion as to which no response is required. To the extent the allegations in Paragraph 2131 assert something other than a legal conclusion, Otis denies the allegations of Paragraph 2131.

AS TO FIRST COUNT

New Jersey Spill Compensation and Control Act, N.J.S.A. 58:10-23:11.f.a.2(a)

- 1. Otis incorporates by reference as if fully set forth herein its responses and denials as asserted in the preceding Paragraphs herein.
- 2. Otis is without knowledge or information sufficient to form a belief as to the truth of the matters stated in Paragraphs 3447 through 3448, and therefore denies the same.

3. Otis denies that it is liable to Third-Party Plaintiffs for contribution. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraphs 3449 through 3451, and therefore denies the same.

AS TO SECOND COUNT

Statutory Contribution

- 4. Otis incorporates by reference as if fully set forth herein its responses and denials as asserted in the preceding Paragraphs herein.
- 5. Otis denies that it is liable to Third-Party Plaintiffs for contribution. Otis is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraphs 3452 through 3453, and therefore denies the same.

AFFIRMATIVE DEFENSES

Otis, without admitting any liability, hereby asserts the following defenses:

FIRST AFFIRMATIVE DEFENSE

The Third-Party Complaint is barred in whole or in part as it fails to state a cause of action against Otis upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

Otis is not a discharger or a person in any way responsible for a discharge under N.J.S.A. 58:10-23 et seq. ("Spill Act").

THIRD AFFIRMATIVE DEFENSE

The claims of Third-Party Plaintiffs are barred in whole or in part by the statutory defenses to liability provided by the Spill Act and the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq. ("WPCA").

FOURTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs have no Spill Act claim against Otis because they have not cleaned up and/or removed a discharge of hazardous substances within the meaning of the Spill Act.

FIFTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs have no right of contribution against Otis under the WPCA.

SIXTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred, in whole or in part, by the entire controversy doctrine.

SEVENTH AFFIRMATIVE DEFENSE

To the extent the Third-Party Complaint purports to seek any relief under New Jersey's Environmental Rights Act, N.J.S.A. 2A:35A-1 et seq., in whole or in part, the pleading is barred because Third-Party Plaintiffs have failed to meet the procedural and/or substantive requirements entitling them to sue Otis under that statute.

EIGHTH AFFIRMATIVE DEFENSE

Some or all of Third-Party Plaintiffs lack standing to sue.

NINTH AFFIRMATIVE DEFENSE

Upon information and belief, Third-Party Plaintiffs are mere corporate shells who are periodically infused with cash or equivalent contributions by other corporate entities, which money Third-Party Plaintiffs purport to use to address the environmental contamination at issue in this litigation. Consequently, the claims by Third-Party Plaintiffs are barred under the collateral source doctrine or its equitable equivalent.

TENTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs are not the real parties in interest for pursuit of the claims set forth in the Third-Party Complaint, nor are Third-Party Plaintiffs acting in the capacity of an executor,

administrator, guardian of a person or property, trustee of an express trust, or a party with whom or in whose name a contract has been made for the benefit of another. Consequently, all claims are barred under R. 4:26-1 of the New Jersey Court Rules.

ELEVENTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs are mere volunteers for remediation of the environmental contamination for which they claim contribution and/or other relief from Otis. Consequently, the claims in the Third-Party Complaint are barred, in whole or in part.

TWELFTH AFFIRMATIVE DEFENSE

The claims brought by Third-Party Plaintiffs reflect damages that are wholly speculative, conjectural, unreasonable, excessive and/or arbitrary and capricious.

THIRTEENTH AFFIRMATIVE DEFENSE

Otis cannot be held liable for or be required to pay Third-Party Plaintiffs' damages or other claims based on actions or inactions by Otis that arise out of conduct lawfully undertaken in compliance with permits or other approvals issued by relevant government agencies, including the State of New Jersey and/or the United States and/or in compliance with applicable laws, regulations, rules, orders, ordinances, directives and common law, and other requirements of all foreign, federal, state and local government entities ("applicable Environmental Laws").

FOURTEENTH AFFIRMATIVE DEFENSE

At common law, Otis held, and still holds, a usufructuary interest allowing it, along with all other citizens, the reasonable use of assets held for the benefit of the public by the State of New Jersey under the Public Trust Doctrine. Otis has at all relevant times acted in accordance with its rights of reasonable use of publicly held assets. As a matter of law, Third-Party Plaintiffs' claims are derivative of, and cannot be any greater than, the claims that the State of

New Jersey has or would have against Otis directly. As a result, the claims set forth in the Third-Party Complaint are barred, in whole or in part.

FIFTEENTH AFFIRMATIVE DEFENSE

To the extent that the State of New Jersey is legally barred from asserting direct claims against Otis for the damages sought in its Amended Complaint, all claims that are or may be derivative of the State of New Jersey's claims are barred as to the Otis as well, including the claims set forth in the Third-Party Complaint.

SIXTEENTH AFFIRMATIVE DEFENSE

The Third-Party Complaint is barred and/or is constitutionally impermissible to the extent that it seeks to impose retroactive liability for acts that were previously authorized or condoned by law including applicable Environmental Laws.

<u>SEVENTEENTH AFFIRMATIVE DEFENSE</u>

Third-Party Plaintiffs' Complaint is barred to the extent that it seeks relief for damages incurred prior to the effective date of the Spill Act.

EIGHTEENTH AFFIRMATIVE DEFENSE

At all relevant times, Otis complied with all applicable Environmental Laws, regulations, industry standards and ordinances, and otherwise conducted itself reasonably, prudently, in good faith, and with due care for the rights, safety and property of others.

NINETEENTH AFFIRMATIVE DEFENSE

The claims asserted against Otis in the Third-Party Complaint are barred because at all relevant times Otis exercised due care with respect to hazardous substances, if any, that may have been handled at the subject property or properties, took precautions against foreseeable acts or omissions of others and the consequences that could reasonably result from such acts or

omissions, and because any release or threat of release of any hazardous substances, if any, and any costs or damages resulting therefrom, were caused solely by the negligence, acts or omissions of third parties over whom Otis had no control, whether by, in whole or part, contract or otherwise, or any duty to control, including, without limitation, the State of New Jersey and its agencies and officials, and the United States and its agencies and officials.

TWENTIETH AFFIRMATIVE DEFENSE

The claims set forth in the Third-Party Complaint are barred in whole or in part by the doctrine of preemption.

TWENTY-FIRST AFFIRMATIVE DEFENSE

Third-Party Plaintiffs suffered no losses or injuries that were proximately caused by Otis.

TWENTY-SECOND AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims against Otis are barred, in whole or in part, by the applicable Statute of Limitations, Statute of Repose, and/or the equitable doctrines of laches and estoppel.

TWENTY-THIRD AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred in whole or in part by the doctrines of accord and satisfaction, waiver, consent, estoppel, release and/or assumption of risk.

TWENTY-FOURTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred, in whole or in part, by the doctrine of "coming to the nuisance."

TWENTY-FIFTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred, in whole or in part, by the "unclean hands" doctrine.

TWENTY-SIXTH AFFIRMATIVE DEFENSE

The claims for equitable contribution under the Spill Act in the Third-Party Complaint are barred because: (1) equity will not compel action that is impossible of performance; (2) equity will not exceed the rights of parties existing at law; (3) equity will not consciously become an instrument of injustice; and/or (4) equity will not permit double satisfaction.

TWENTY-SEVENTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred, in whole or in part, by the doctrines of collateral estoppel, *res judicata*, and/or judicial estoppel including in connection with prior findings as to Third-Party Plaintiffs' intentional misconduct.

TWENTY-EIGHTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred because the relief sought against Otis, were it claimed directly by Plaintiffs, would amount to unlawful taxation.

TWENTY-NINTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims against Otis are subject to setoff and recoupment and therefore must be reduced accordingly.

THIRTIETH AFFIRMATIVE DEFENSE

Otis did not own or operate a "Major Facility" as defined by the Spill Act or the WPCA.

THIRTY-FIRST AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred, in whole or in part, by Third-Party Plaintiffs' failure to comply with the prerequisites to liability under the Spill Act including, without limitation to, Third-Party Plaintiffs have not incurred costs authorized by the Spill Act and Third-Party Plaintiffs have failed to direct cleanup and removal activities in accordance with the National Contingency Plan to the greatest extent possible.

THIRTY-SECOND AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred because neither they nor Plaintiffs have incurred "costs of restoration and replacement ... of any natural resources damaged or destroyed by a discharge" under the Spill Act.

THIRTY-THIRD AFFIRMATIVE DEFENSE

Third-Party Plaintiffs have failed to join necessary and indispensable parties needed for a just adjudication of the claims asserted in this action, in whose absence complete relief cannot be afforded the existing parties pursuant to R. 4:28-1 of the New Jersey Court Rules. These necessary and indispensable parties include, without limitation, State of New Jersey agencies and instrumentalities, including without limitation the State trustees for tidelands, certain United States agencies and instrumentalities with liability under the Spill Act, and certain state and local governmental agencies located outside the boundaries of New Jersey, including the State of New York and its agencies and instrumentalities, all of whom are or may be separately liable for contamination allegedly located in the "Newark Bay Complex," as defined in Plaintiffs' Second Amended Complaint.

THIRTY-FOURTH THIRD AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are not ripe for adjudication, inter alia, because Third-Party Plaintiffs have a joint liability to the Plaintiffs and have not paid and will not pay more than their fair or equitable share of the liability.

THIRTY-FIFTH AFFIRMATIVE DEFENSE

Otis denies that Third-Party Plaintiffs have suffered any harm whatsoever, but in the event that they did suffer any form of injury or damage cognizable under applicable Environmental Law, such injury was caused by the intervening acts, omissions, or superseding

acts of persons or entities over whom Otis exercised no control and for whose conduct Otis was not responsible including, without limitation, unpermitted and storm event discharges from publically owned treatment works.

THIRTY-SIXTH AFFIRMATIVE DEFENSE

If Third-Party Plaintiffs sustained any injury or are entitled to any damages, such injury and damages were wholly, or in part, caused by Third-Party Plaintiffs' own acts or omissions, negligence, lack of due care and fault and/or that of Third-Party Plaintiffs' agents or employees. In the event that Third-Party Plaintiffs are found to have sustained any injury and are entitled to damages, Third-Party Plaintiffs' recovery against Otis, if any, must be reduced by the proportionate damages caused by the acts and conduct of Third-Party Plaintiffs and/or its agents or employees.

THIRTY-SEVENTH AFFIRMATIVE DEFENSE

Although Otis denies that it is liable for the contamination described in Third-Party Plaintiffs' Complaint, in the event it is found liable, Otis is entitled to an offset against any such liability on its part for the equitable share of the liability of any person or entity not joined as a defendant in this action that would be liable to Third-Party Plaintiffs.

THIRTY-EIGHTH AFFIRMATIVE DEFENSE

Under N.J.S.A. 2A:15-97, the amount of damages, if any, should be reduced by any amounts recovered from any other source.

THIRTY-NINTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred to the extent that the conduct of Otis alleged to give rise to liability in the Third-Party Complaint is the subject of a release, covenant not to sue, or has otherwise been excused by Plaintiffs, including, without limitation, through issuance of a

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no further action letter, consent order, settlement agreement or other applicable document, with or without inclusion of contribution protection, or through the Plaintiffs' allowance of any applicable Statute of Limitations or Statute of Repose to lapse.

FORTIETH AFFIRMATIVE DEFENSE

The disposal of waste, if any, which allegedly originated from Otis, was undertaken in accordance with the then state of the art, the then accepted industrial practice and technology, and the then prevailing legal requirements for which Otis cannot be found retroactively liable.

FORTY-FIRST AFFIRMATIVE DEFENSE

Any discharge that allegedly originated from Otis, was investigated and remediated by a licensed professional and under the direct oversight of state and/or federal agencies with the then state of the art, the then accepted industrial practice and technology, and the then prevailing requirements for which Otis cannot be found retroactively liable.

FORTY-SECOND AFFIRMATIVE DEFENSE

Third-Party Plaintiffs are not entitled to recover costs incurred for cleanup actions not undertaken in coordination or conjunction with the appropriate governmental agencies.

FORTY-THIRD AFFIRMATIVE DEFENSE

The damages or other relief that Third-Party Plaintiffs seek, if awarded, would result in unjust enrichment to the Third-Party Plaintiffs.

FORTY-FOURTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred due to its own conduct in unilaterally, and without notice to Otis, implementing clean-up plan(s) or taking other actions that resulted in the commingling of formerly divisible areas of environmental harm.

FORTY-FIFTH AFFIRMATIVE DEFENSE

Otis' liability to Third-Party Plaintiffs, if any, is limited to Spill Act and contribution claims and excludes any such claims which may properly be apportioned to parties pursuant to Burlington Northern and Santa Fe Railway Co., et al. v. United States, et al., 556 U.S. _____, 129 S.Ct. 1870 (2009), and other comparable decisional law.

FORTY-SIXTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs cannot assert contribution claims against Otis because the discharges for which the Plaintiffs are seeking relief are different from Otis' alleged discharges.

FORTY-SEVENTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs cannot seek contribution under the Joint Tortfeasors Contribution

Law because Otis is not liable for "the same injury" caused by Third-Party Plaintiffs' discharges

and do not share a common liability to the State of New Jersey.

FORTY-EIGHTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred to the extent they seek to hold Otis liable, in contribution, for any claims for which it would be a violation of public policy to hold Otis liable, including but not limited to punitive damages and penalties.

FORTY-NINTH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred, in whole or in part, because no actions or inactions by Otis have resulted in any permanent impairment or damage to a natural resource.

FIFTIETH AFFIRMATIVE DEFENSE

Third-Party Plaintiffs claims for contribution, whether under the Spill Act or the New Jersey statutory provisions for contribution, are derivative of, and are therefore no greater than, Plaintiffs' claims against Third-Party Plaintiffs. Consequently, Third-Party Plaintiffs' claims against Otis are barred to the extent of any legal extinguishments of actual or potential claims by

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the Plaintiffs against Otis pertaining to the alleged environmental contamination (including natural resource damage) of any site(s) alleged by Third-Party Plaintiffs to be the subject of their contribution claims against Otis. Examples of legal extinguishments that are or may be applicable to Otis include, with respect to each such site:

- A. Any release or covenant not to sue granted by Plaintiffs to Otis;
- B. Any settlement or other compromise between Plaintiffs and Otis;
- C. Any expiration of the statute of limitations or statute of repose governing

 Plaintiffs' right to maintain a claim against Otis;
- D. Any failure to join a claim relating to the "Newark Bay Complex" (as defined in the Third-Party Complaint) in a prior litigation between Plaintiffs and Otis, which would result in relinquishment of such a claim by virtue of New Jersey's Entire Controversy Doctrine; and/or
- E. Any issuance by Plaintiffs to Otis, directly or indirectly, of any "No Further Action" (a/k/a "NFA") determination, "Negative Declaration," or similar determination.

FIFTY-FIRST AFFIRMATIVE DEFENSE

Third-Party Plaintiffs' claims are barred because the relief sought against Otis, were it claimed directly by Plaintiffs, would amount to a "taking" of Otis's property in violation of its constitutional rights to due process and/or in violation of its rights under the Eminent Domain Act of 1971, N.J.S.A. 20:3-1 et seq.

FIFTY-SECOND AFFIRMATIVE DEFENSE

Without admitting liability, should it be determined that Otis has responsibilities to conduct ongoing environmental cleanups under oversight of the Plaintiffs at any site(s) alleged

by Third-Party Plaintiffs to be the subject of their contribution claims against Otis, Third-Party Plaintiffs' claims are barred to the extent the relief sought by Third-Party Plaintiffs in the Complaint is at odds with such responsibilities, thereby exposing Otis to inconsistent responsibilities, penalties and liabilities, and the possibility of paying twice for the same actions (i.e., double recovery).

FIFTY-THIRD AFFIRMATIVE DEFENSE

To the extent Otis is acting or has acted to conduct environmental cleanup at any site(s) alleged by Third-Party Plaintiffs to be the subject of their contribution claims against Otis, the claims for equitable contribution under the Spill Act in the Third-Party Complaint are barred because equity will not compel action that is already being undertaken and/or is unnecessary.

FIFTY-FOURTH AFFIRMATIVE DEFENSE

Without admitting liability, Otis alleges, that if it is found to have been engaged in any of the activities alleged in the Third-Party Complaint, such activities were *de minimis* and not the cause of any damages or other claims by Third-Party Plaintiffs.

FIFTY-FIFTH AFFIRMATIVE DEFENSE

Otis incorporates by reference any affirmative defense asserted by other parties in this action to the extent such affirmation defenses are defenses to Third-Party Plaintiffs' claims and do not impose liability on Otis.

FIFTY-SIXTH AFFIRMATIVE DEFENSE

Otis reserves the right to assert and hereby invoke each and every Environmental Law defense that may be available during the course of this action.

Otis reserves the right to amend and supplement these Affirmative Defenses on the basis of facts that may further develop, including any facts giving rise to any defense under any Environmental Law.

COUNTERCLAIMS, CROSS-CLAIMS AND THIRD/FOURTH-PARTY CLAIMS

No such claims are required to be asserted at this time and are expressly reserved pursuant to CMO V.

DESIGNATION OF TRIAL COUNSEL

In accordance with \underline{R} . 4:25-4 you are hereby notified that Attorneys Earl Phillips, Brian Freeman, and Douglas Brierley are assigned to try this case.

WHEREFORE, Third-Party Defendant Otis respectfully requests that the Court enter an Order dismissing the Third-Party Complaint "B" with prejudice, and awarding costs, attorney fees and any other relief the Court deems just and proper.

Dated: February 9, 2010

Respectfully submitted,

STRYKER, TAMS & DILL LLP

Attorney for Third-Party Defendant Otis Elevator Co.

2 Penn Plaza East

Newark, NJ 07105

Telephone: (973) 491-3944

Facsimile: (973) 491-9692

Douglas S. Brierley

ROBINSON & COLE LLP

Attorney for Third-Party Defendant Otis Elevator Co. 280 Trumbull Street Hartford, CT 06103-3597

Telephone: (860) 275-8200 Facsimile: (860) 275-8299

Earl W. Phillips,

Brian Freeman

CERTIFICATION PURSUANT TO RULE 4:5-1(b)(2)

Pursuant to \underline{R} . 4:5-1(b)(2), the undersigned hereby certifies that:

- (a) The matter in controversy is not the subject of any other action pending in any court or of a pending arbitration proceeding and no action or arbitration proceeding is contemplated by the undersigned; and
- (b) Because it is the legal position of the undersigned that the potential liability, if any, of a third-party defendant for the claims set forth in the Third-Party Complaint is several only, there are no non-parties which should be joined in the action pursuant to R.4:28; but that
- In the event the Court shall determine that the potential liability of a third-party defendant, if any, for the claims set forth in the Third-Party

 Complaint is in any respect joint and several (which is denied), then all or some of the non-parties listed on the letter dated October 7, 2009, from

 Eric Rothenberg, Esq. of O'Melveny & Myers LLP to the Honorable Maria

 Corodemus and posted to the electronic docket in this matter on October 20, 2009, may constitute non-parties who should be joined in the action pursuant to R. 4:28; and
- (d) In either event, some or all of such non-parties are subject to joinder pursuant to R.4:29-1(b) because of potential liability to any party on the basis of the same transactional facts.

Dated: February _ 9_, 2010

Respectfully submitted,

STRYKER, TAMS & DILL LLP

Attorney for Third-Party Defendant Otis Elevator Co.

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Earl W. Phillips, Jr.

Brian Freeman

CERTIFICATE OF SERVICE

I, Douglas S. Brierley, certify as follows:

1. I hereby certify that the within ANSWER, AFFIRMATIVE DEFENSES, AND \underline{R} . 4:5-1

CERTIFICATION OF OTIS ELEVATOR COMPANY TO THIRD-PARTY

COMPLAINT "B," together with an appropriate CASE INFORMATION STATEMENT,

was served on the Clerk of the Court, Superior Court of New Jersey, Essex County, 50

West Market St., Newark, New Jersey, 07102 by overnight delivery service for delivery

February 10, 2010.

2. I hereby certify that the within ANSWER, AFFIRMATIVE DEFENSES, AND R. 4:5-1

CERTIFICATION OF OTIS ELEVATOR COMPANY TO THIRD-PARTY

COMPLAINT "B," together with an appropriate CASE INFORMATION STATEMENT,

was directed to be served on all parties which have consented to service by posting on

www.sfile.com/njdepvocc on February 10, 2010. The counsel of record identified on the

attached list entitled "Third-Party Defendants for Regular Service as of January 5, 2010"

were served with the same documents by overnight delivery service for delivery on

February 10, 2010.

Douglas S. Brierley

Date: February 9, 2010

Third-Party Defendants for Regular Service as of January 5, 2010

| NAMED THIRD-PARTY | THIRD-PARTY | NOTICE OF APPEARANCE: COUNSEL |
|-------------------------------------|-----------------------|---|
| DEFENDANT | | OFRECORD |
| City of Clifton | A | Thomas M. Egan, Esq. Assistant Municipal Attorney City of Clifton Law Department 900 Clifton Avenue Clifton, NJ 07013 973.470.5817 973.470.5254 - fax tegan@cliftonnj.org |
| City of Orange | A | John P. McGovern Assistant City Attorney City of Orange Township 29 North Day St. Orange, NJ 07050 973.266.4197 973.674.2021 - fax jmcgovern@ci.orange.nj.us |
| Clean Earth of North Jersey, Inc. | | Eric S. Aronson Greenberg Traurig, LLP 200 Park Avenue Florham Park, NJ 07932 973.360.7900 973.301.8410 - fax aronsone@gtlaw.com |
| Passaic Pioneers Properties Company | | John A. Daniels Daniels & Daniels LLC 6812 Park Ave. Guttenberg, NJ 07093 202.868.1868 201.868.2122 - fax jad1903@gmail.com |
| Roman Asphalt Corporation | | Michael V. Calabro Law Offices of Michael V. Calabro 466 Bloomfield Ave., Suite 200 Newark, NJ 07107 973.482.1085 973.482.7930 - fax michaelvcalabro@verizon.net |
| Township of Irvington |] [] [] | Gustavo Garcia Municipal Attorney Fownship of Irvington Irvington Municipal Building Civic Square Irvington, NJ 07111 073.399.6637 073.399.6723 - fax |