

CAUSE NO. A,000,492-C

HOWARD MOTEN, ET AL

v.

DRESSER INDUSTRIES, INC.
 FORMERLY A SUCCESSOR IN
 INTEREST TO HARBISON-WALKER
 REFRACTORIES COMPANY

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IN THE DISTRICT COURT

ORANGE COUNTY, TEXAS

128th JUDICIAL DISTRICTAFFIDAVIT OF ALBERT O. CORNELISON, JR.

STATE OF TEXAS

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COUNTY OF DALLAS

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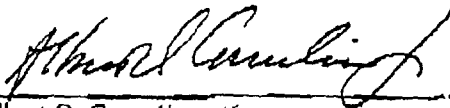
BEFORE ME, this day personally appeared Albert O. Cornelison, Jr., who upon being duly sworn, testified as follows:

1. My name is Albert O. Cornelison, Jr. I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated.
2. I am Vice President and Associate General Counsel of Halliburton Company in charge of litigation. Beginning in the Spring of 1994, I held a similar position with Dresser Industries, Inc. ("Dresser"), until it merged with Halliburton in late 1998. In the course of my duties as an attorney for Dresser and Halliburton, I have become familiar with Dresser's corporate history and have knowledge of the facts recited herein based on personal knowledge and my review of Dresser's corporate records. I have custody and control of Dresser's legal files. Attached hereto as Exhibits "A" and "B" are various records pertaining to Dresser legal matters. The records represent communications and contracts made by Dresser and Halliburton employees and representatives. The records are kept by Dresser in the regular course of business, and it was the regular course of business for an employee or representative of Dresser, with knowledge of the act, event, condition, opinion, or diagnosis, recorded to make the record or to transmit information thereof to be included in such record; and the record was made at or near the time or reasonably soon thereafter. The records attached hereto are exact duplicates of the original.
3. Pursuant to a Distribution Agreement dated July 17, 1992, Dresser spun off, with a few exceptions, all of the assets, properties, liabilities, and obligations of certain designated businesses (the "Transferred Businesses") of Dresser to Indresco, Inc. ("Indresco"), which was a Dresser subsidiary, and provided the owners of Dresser stock with new shares of Indresco. A true and correct copy of the Distribution Agreement is attached hereto as Exhibit "A". Following the spin-off, Dresser was informed that Indresco reorganized and established its subsidiary, Global Industrial

Technologies, Inc. ("Global") as parent in a holding company structure and that, as part of the restructuring, Indresco was renamed Harbison-Walker Refractories Company ("New H-W"). Finally, Dresser was informed that Global was acquired and controlled by a company called RHI Refractories America.

4. One of the Transferred Businesses acquired by New H-W in the spin-off had been operated by Dresser as the "Harbison-Walker Refractories Division" (the "H-W Division"), which at the time of the spin-off was subject to claims related to the alleged manufacture and distribution of asbestos containing products (the "H-W Claims"). The H-W Division was formed by Dresser after its merger in 1967 with the former Harbison-Walker Refractories Company ("Old H-W"). In connection with the spin-off, New H-W expressly assumed substantially all of the liabilities and obligations relating to or arising out of the Transferred Businesses, including the H-W Claims to be filed after July 31, 1992.
5. Since the spin-off, Dresser has been sued for matters related to H-W Claims. When Dresser has been named as a defendant and served with process, it has been our practice pursuant to the Distribution Agreement to deliver the pleadings to New H-W or to its parent corporation for handling.
6. Dresser's records reflect that it was served with process on or about November 22, 2000, in *Howard Moten, et al v. Dresser Industries, Inc.*, in the 128th Judicial District Court of Orange County, Texas. The records also show that on or about November 30, 2000, Dresser forwarded handling of that matter to Mr. Donald Stratman, Esq., Vice President and General Counsel of RHI America for handling. Per the return receipt, the correspondence transmitting the citation was received in the offices of RHI America on or about December 4, 2000. Attached hereto as Exhibit "B" is a true and correct copy of the correspondence forwarded to Mr. Stratman along with a copy of the certified mail receipt. Dresser was unaware that New H-W had not forwarded the *Moten* Lawsuit to counsel for handling and that no answer had been filed until Dresser received notice of the default judgment from the clerk.

"FURTHER, AFFIANT SAITH NOT."


Albert O. Cornelison, Jr.

SWORN TO AND SUBSCRIBED BEFORE ME, on this the 18th day of July, 2001, to
certify which witness my hand and official seal.



[SEAL]

Kathy Seale
Notary Public, State of Texas

KATHY SEALE
Printed Name of Notary Public

08-04-2001
My Commission Expires