

## Freedom Industries President "Bears No Fault"

JONATHAN MATTISE, Associated Press

CHARLESTON, W.Va. (AP) — The president of Freedom Industries "bears no fault" for a West Virginia chemical spill that spurred a water-use ban for up to 10 days for 300,000 people, his lawyer says in a court filing.

On Friday, Freedom President Gary Southern withdrew his application to get paid for work he already did during the company's bankruptcy proceedings. He also wanted Freedom and its insurance to cover his legal fees related to the Jan. 9 spill.

A U.S. trustee objected to the legal expenses motion in West Virginia Southern District Bankruptcy Court. A creditors committee opposed both.

While withdrawing the motions, Southern's attorney Steven Thomas wrote that the executive still didn't think either request was improper.

"Mr. Southern is withdrawing the Application to try to end the unfounded allegations and ceaseless vilification of him for an incident that occurred a mere 6 working days after he became the President of the Debtor, for which he bears no fault," Thomas wrote in Friday's court filing.

Southern also wanted to save the company's sparse financial resources for creditors seeking payment, the court filing states.

Southern's motion claims he "could have walked away as many others did," but has spent countless hours remediating the company's damage.

Southern, who is paid a \$230,000 salary, joined the company Jan. 1 after Chemstream Holdings Inc. bought Freedom, becoming its parent company. Days later, a Freedom tank leaked coal-cleaning chemicals into the Elk River just upstream of a water plant, spurring the water-use ban.

Southern last received a paycheck covering services through Jan. 19.

Weighed down by environmental cleanup orders and huge costs, Freedom filed for bankruptcy eight days after the spill. The company is under state orders to start stripping down its tank site in Charleston.

Southern accrued about \$49,000 in personal legal costs for representation in two lawsuits and in state and federal investigations about the spill, court documents show.

Dozens of businesses and residents have sued Freedom over lost wages and profits during a water-use ban. Their cases remain frozen while bankruptcy proceedings

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continue, and they are waiting in line with other creditors looking for compensation from Freedom.

Freedom also paid contractors that employed Southern about \$5 million the year preceding the bankruptcy, court records show.

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