

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF  
LOUISIANA

Joseph O'Shea, et al. v. Ocean Harbor Casualty Insurance Company

Civil Action No. 25-750, Section "E" (3) (E.D. La. Dec. 31, 2025) · No. Civil Action No. 25-750 · Decided  
December 31, 2025

SUMMARY

The United States District Court for the Eastern District of Louisiana addresses Plaintiffs’ Rule 12(b) (6) motion to dismiss counterclaims arising from an alleged insurance settlement agreement. The court denies dismissal of the breach-of-contract and breach-of-confidentiality counterclaims, dismisses the unjust-enrichment and double-recovery counterclaim, and declines to analyze waiver and estoppel because they are affirmative defenses rather than causes of action. The order grants the motion in part and denies it in part.

CASE DETAILS

|                    |                                                                                                                                                                                                                                                                                                                                   |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT              | United States District Court for the Eastern District of Louisiana                                                                                                                                                                                                                                                                |
| JURISDICTION       | United States District Court for the Eastern District of Louisiana                                                                                                                                                                                                                                                                |
| DECIDED            | December 31, 2025                                                                                                                                                                                                                                                                                                                 |
| DOCKET             | Civil Action No. 25-750                                                                                                                                                                                                                                                                                                           |
| DISPOSITION        | other                                                                                                                                                                                                                                                                                                                             |
| PROCEDURAL POSTURE | Plaintiffs moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss the defendant's four counterclaims for breach of contract, unjust enrichment and double recovery, waiver and estoppel, and breach of confidentiality.                                                                                                  |
| STANDARD OF REVIEW | Under Rule 12(b)(6), the court accepts well-pleaded factual allegations as true and views them in the light most favorable to the nonmovant, but it does not accept legal conclusions or conclusory allegations. Dismissal is appropriate when the pleaded facts do not state a facially plausible claim or show a bar to relief. |
| PRECEDENTIAL VALUE | Unknown                                                                                                                                                                                                                                                                                                                           |

TOPICS

- motions to dismiss
- breach of contract
- unjust enrichment
- affirmative defenses
- civil procedure

## PRACTICE AREAS

civil procedure

insurance

contracts

remedies

## QUESTIONS PRESENTED

1. Whether Ocean Harbor sufficiently pleaded a breach-of-contract counterclaim based on an alleged settlement agreement.
2. Whether Ocean Harbor could maintain an unjust-enrichment and double-recovery counterclaim when the alleged settlement agreement supplied another potential remedy.
3. Whether waiver and estoppel were properly pleaded as causes of action or were affirmative defenses not subject to resolution under Rule 12(b)(6).
4. Whether Ocean Harbor's breach-of-confidentiality counterclaim was sufficiently pleaded despite appearing duplicative of its breach-of-contract counterclaim.

## HOLDINGS

1. The breach-of-contract counterclaim was sufficiently pleaded and would not be dismissed because Ocean Harbor alleged the existence of a binding compromise and alleged conduct that, in conjunction with the agreement's terms, constituted a breach.
2. The unjust-enrichment counterclaim was properly dismissed because Ocean Harbor had alleged a breach-of-contract remedy and failed to allege that no other remedy at law was available.
3. Waiver and estoppel were affirmative defenses rather than causes of action, and the court would not determine their sufficiency at the motion-to-dismiss stage.
4. The breach-of-confidentiality counterclaim would not be dismissed, although it appeared duplicative of the breach-of-contract counterclaim, because the alleged disclosure of confidential settlement terms was also sufficient to support the contract claim.

## KEY QUOTATIONS

*“The terms of the agreement are clear and explicit, and Defendant’s allegations that Plaintiffs breached the agreement by failing to execute the final agreement, initiating new litigation based on released claims, and disclosing confidential settlement terms—when considered in conjunction with the Agreement’s terms—would entitle the Defendant to relief on its breach of contract claim.” (Law and Analysis § I)*

*“This determination is fatal to Defendant’s unjust enrichment claim because the existence of another remedy precludes recovery under an unjust enrichment theory.” (Law and Analysis § II)*

*“The Court notes that these “claims” are, in fact, affirmative defenses.” (Law and Analysis § III)*

## FACTUAL BACKGROUND

The parties reached an alleged settlement concerning insurance claims, and Plaintiffs allegedly accepted and received the settlement funds. Ocean Harbor alleged that Plaintiffs later failed to execute final settlement documents, initiated litigation concerning released claims, and disclosed confidential settlement terms and

communications. The settlement agreement attached to Ocean Harbor's opposition allegedly released claims brought or that could have been brought before October 29, 2024, and required confidentiality concerning the agreement and settlement amount.

## PROCEDURAL HISTORY

Plaintiffs filed a damages petition in Louisiana state court alleging that Ocean Harbor failed to timely remit settlement proceeds in violation of Louisiana Revised Statutes section 22:1892. The action was removed to federal court. Ocean Harbor answered and asserted counterclaims; after receiving leave to amend, it filed an amended answer and counterclaim. The court granted the motion to dismiss as to the unjust-enrichment and double-recovery counterclaim, denied it as to the breach-of-contract and breach-of-confidentiality counterclaims, and declined to analyze the waiver and estoppel allegations as Rule 12(b)(6) claims because they were affirmative defenses.

## DISPOSITION

other

## CASES CITED

- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555, 570 (2007)
- Ashcroft v. Iqbal, 556 U.S. 662, 678-79 (2009)
- Cuvillier v. Taylor, 503 F.3d 397, 401 (5th Cir. 2007)
- S. Christian Leadership Conf. v. Sup. Ct. of the State of La., 252 F.3d 781, 786 (5th Cir. 2001)
- Fernandez-Montes v. Allied Pilots Ass'n, 987 F.2d 278, 284 (5th Cir. 1993)
- Spivey v. Robertson, 197 F.3d 772, 774 (5th Cir. 1999)
- Cutrer v. McMillan, 308 F. App'x 819, 820 (5th Cir. 2009) (per curiam)
- Lormand v. U.S. Unwired, Inc., 565 F.3d 228, 232 (5th Cir. 2009)
- Test Masters Educ. Servs., Inc. v. Singh, 428 F.3d 559, 570 (5th Cir. 2005)
- Smith v. GE Healthcare, Inc., No. 3:19-CV-00492, 2019 WL 4565246, at \*7 (W.D. La. Sept. 4, 2019)
- Dong Phuong Bakery, Inc. v. Gemini Soc'y, LLC, No. CV 21-1109, 2022 WL 898750, at \*5 (E.D. La. Mar. 28, 2022)
- Innova Hosp. San Antonio, Ltd. P'ship v. Blue Cross & Blue Shield of Georgia, Inc., 892 F.3d 719, 726 (5th Cir. 2018)
- Brand Coupon Network, L.L.C. v. Catalina Marketing Corp., 748 F.3d 631, 635 (5th Cir. 2014)
- Smith v. Amedisys Inc., 298 F.3d 434, 443-44 (5th Cir. 2002)
- Brown v. Drillers, Inc., 630 So. 2d 741, 747 n. 8, 748 (La. 1994)
- JP Mack Indus. LLC v. Mosaic Fertilizer, LLC, 970 F. Supp. 2d 516, 520-21 (E.D. La. 2013)
- Carriere v. Bank of La., 95-3058 (La. 12/13/96), 702 So. 2d 648, 673
- Walters v. MedSouth Record Mgmt., LLC, 10-0351 (La. 6/4/10), 38 So. 3d 241, 242 (La. 2010) (per curiam)
- Perez v. Utility Constructors, Inc., 2016 WL 5930877, at \*1 (E.D. La. Oct. 12, 2016)

- Zaveri v. Condor Petroleum Corp., 27 F. Supp. 3d 695, 702 (W.D. La. 2014)
- Garber v. Badon & Rainer, 07-1497 (La. App. 3 Cir. 4/2/08), 981 So. 2d 92, 100
- LSREF2 Baron, L.L.C. v. Tauch, 751 F.3d 394, 399 (5th Cir. 2014)
- Bienvenu v. Allstate Ins. Co., 819 So. 2d 1077, 1080 (La. Ct. App. 2002)
- Thibodeaux v. Prudential Ins. Co. of America, 2008 WL 5397236, at \*1 (W.D. La. 2008)

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