

9/7/63



AFFIDAVIT

STATE OF CONNECTICUT)
)
) SS:
)
COUNTY OF FAIRFIELD)

SULA L. BAYE, being duly sworn according to law
deposes and says that:

1. She is an attorney in The General Litigation Group with Union Carbide Corporation; she has been in-house counsel assigned to Metals Division asbestos litigation for nearly the past two years and she is thoroughly familiar with the history and operation of Union Carbide's asbestos business and asbestos claims and lawsuits attendant to them. She is authorized to make the Affidavit in its behalf and the facts set forth in the Affidavit are true and correct to the best of her knowledge, information and belief.

2. Union Carbide mines chrysotile asbestos ore from a massive deposit in San Benito County, California. The ore is hauled about 55 road miles to a processing mill near King City, California. The mill, in operation since 1963, is owned and operated by Union Carbide and is the only source of asbestos fiber produced by Union Carbide. The asbestos fiber produced by Union Carbide is unique compared to all other known sources of chrysotile asbestos in that the fibers are very uniform in size, and all the fibers are within the microscopic range. The Union Carbide asbestos has a powdery consistence and does not appear fibrous as in the case of asbestos mined elsewhere. Union Carbide markets its chrysotile asbestos fibers, under the trade name "Calidria", for various industrial applications.

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Chrysotile asbestos from other world-wide sources differs from "Calidria" asbestos in that the fibers vary in length from several inches down to microscopic size, but the shortest fibers are generally longer than the Union Carbide asbestos fibers. The substantially longer length of the fibers produced elsewhere makes them suitable for use in heat or frost insulation materials. On the other hand, the uniformly short length of the "Calidria" asbestos fibers makes them unsuitable for use in heat or frost insulating materials. "Calidria" asbestos is sold to manufacturers or compounders who incorporate the fibers as filler in drilling fluids, floor tile and asphalt compounds, as a reinforcer in plastics, as a thixotrope in resins, and in similar applications where the fibers, after incorporation, are not respirable.

3. A number of Union Carbide employees have filed Workers Compensation claims for various diseases related to asbestos exposure, and some employees have been compensated for asbestos related diseases. However, in no case have these claims been based upon exposure to Calidria asbestos, which has never been used in the construction or insulation of Union Carbide facilities.

4. Because of the nature of its various insurance coverages during the past several decades, Union Carbide cannot provide the information requested in interrogatories 12 and 13. At present, The Kemper Group provides Union Carbide Workers Compensation coverage in 42 states; Colorado, California and until recently, New York, have state funds; New Jersey Manufacturers covers New Jersey workers; Wyoming, Washington, North Dakota, and until recently, Nevada, have monopolistic state funds and the Corporation is self-insured in Ohio and West Virginia. Between 1970 and 1982, Kemper provided coverage

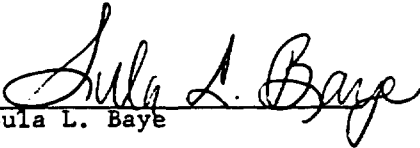
in 40 states. Prior to 1970, coverage was provided by another carrier, whose records are not available to Union Carbide. Neither at Union Carbide plants and other facilities nor its carriers were Workers Compensation files categorized by products exposed to or disease or injury claimed. Recently, Union Carbide has sought such categorization from its carriers, but it is not yet forthcoming.

For the most part, claims are categorized by date of injury, claimant's name and carrier's claim number. To find every employee who has filed a claim based upon asbestos exposure would require Union Carbide or its carriers to look through every compensation claim filed during the past six decades. The search would include as many as 500 locations covering more than 50,000 employees.

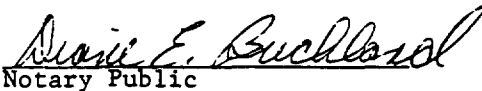
Since again no such claim involves exposure to Union Carbide asbestos, Union Carbide does not consider these claims relevant to its unique asbestos products. To search the records, a substantial volume of which does not exist in any event, would be a burdensome and perhaps impossible undertaking and would not lead to information relevant to Mr. Lundy's claim.

5. No claims for mesothelioma, brochogenic carcinoma and/or cancer of the colon or rectum have been filed by Union Carbide employees at its mine and mill near King City.

FURTHER AFFIDAVIT SAITH NOT


Sula L. Baye

Sworn to before me this 7th
day of September, 1983


Notary Public

DIANE E. BUCKLAND
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1986

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