- SCM EXCESS HEC 9693714 -
City Insurance 1/1/78 - 1/1/79

123

SCM Excess HEC 9693714
City Insurance 1/1/78-1/1/79

123.

GID051516
0049-GLD-000051516

EXCESS LIABILITY POLICY

HEC—9 69 37 14

CITY INSURANCE COMPANY

—Short Hills, New Jersey—

INSURANCE HOME COMPANIES

3d. Layer

STOCK COMPANY Replaced [illegible]

[illegible]

ITEM 1. Insured's Name and Mailing Address

SCM Corporation, etal
(See Endorsement No. 1)
299 Park Ave.
New York, N.Y.

Producer

Marsh & McLennan, Inc.
1221 Ave. of the Americas
New York, N.Y. 10020

Years	Producer No.	OPC	State Loc.
1	50167	081	N.Y.

Inception (Mo. Day Yr.)	Expiration (Mo. Day Yr.)
1/1/78	1/1/79

12:01 AM Standard Time at the address of the Named Insured as stated herein

ITEM 2. PRIMARY OR UNDERLYING INSURANCE — DESCRIPTION OF COVERAGE

$10,000,000.00 Umbrella Liability as provided by The Hartford Insurance Company Policy No. 10HU463646, and other companies, which are in turn excess of various primary coverages on file with the Company.

Marsh & McLennan
Tel. 212 997-2000
1221 Avenue of the Americas, New York, N.Y. 10020

ITEM 3. EXCESS COVERAGE AFFORDED BY THIS POLICY

$5,000,000.00 Umbrella Liability following the terms, conditions and exclusions of the Hartford Insurance Company Policy Number 10HU463646, and excess of the limits set forth in Item No. 2 above.

ITEM 4. PREMIUM $30,000.00

In Witness Whereof, the said CITY INSURANCE COMPANY, Short Hills, New Jersey, has caused these Presents to be signed by its President and attested by its Secretary at its Executive Office located in the City of New York, and this policy is made and accepted upon the above express conditions, but shall not be valid unless countersigned by a duly Authorized Representative of the Company at place of issue.

Joseph F. Quinn Secretary

R. H. Tullis, Jr. President

COUNTERSIGNED BY (AUTHORIZED REPRESENTATIVE) R. W. Richman Vice President

DATE 1/25/78 eg

H31136F

GLD051517

0049-GLD-000051517

EXCESS LIABILITY POLICY

CITY INSURANCE

(Hereinafter called the Company)

Agrees with the Insured named in the schedule made a part hereof, in consideration of the payment of the premium and subject to all of the terms of this Policy, as follows:

As respects accidents or occurrences, whichever is applicable, taking place during the period of the Policy, the Company agrees to afford the Insured such additional insurance as the issuers of the Underlying Coverage specified in the schedule would afford the Insured by increasing the underlying limit from the limit(s) set forth under Item 2 of the Declarations to the limit(s) set forth under Items 2 and 3 of the Declarations combined provided that it is expressly agreed that liability shall attach to the Company:

(a) only after the issuers of the Underlying Coverage have paid or have been held liable to pay the full amount of the said underlying limit, and

(b) only as respects such additional amounts in excess thereof as would be payable by the issuers of the Underlying Coverage if the said underlying limit were amended as aforesaid, and

(c) in no greater amount than the limit(s) set forth under Item 3 of the Declarations ultimate net loss as respects each accident or occurrence, whichever is applicable, taking place during the period of this Policy—Subject to the limit(s) set forth under Item 3 of the Declarations ultimate net loss in the aggregate where applicable for each annual period during the currency of this Policy.

DEFINITIONS

1. **Ultimate Net Loss.** The words "ultimate net loss" shall be understood to mean the amount payable in settlement of the liability of the Insured after making deductions for all recoveries and for other valid and collectible insurances, excepting however the policy(ies) of the Primary Insurer(s) and shall exclude all expenses and Costs.

2. **Costs.** The word "costs" shall be understood to mean interest accruing after entry of judgment, investigation, adjustment and legal expenses (excluding, however, all office expenses of the Insured, all expenses for salaried employees of the Insured and general retainer fees for counsel normally paid by the Insured).

CONDITIONS

1. **MAINTENANCE OF UNDERLYING INSURANCE.** It is a condition of this Policy that the Underlying Coverage be maintained in full effect during the period of this Policy except for the reduction of the aggregate limits contained therein solely by payment of claims for accidents or occurrences, whichever is applicable, which take place during the period of this Policy. If the Underlying Coverage is terminated during the period of the Policy the effective date of termination of the said Underlying Coverage shall be the end of the period of this Policy.

   This Policy is subject to the same warranties, terms and conditions (except as otherwise provided herein) as are contained in or as may be added to the Underlying Coverage prior to the happening of an accident or occurrence, whichever is applicable, for which claim is made hereunder.

2. **PREMIUM.** The Insured shall pay premium to the Company as specified in the schedule.

   If the Insured terminates this Policy, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company terminates this Policy, earned premium shall be computed pro rata.

3. **NOTIFICATION OF CLAIMS.** The Insured upon knowledge of any accident or occurrence, whichever is applicable, likely to give rise to a claim hereunder shall give immediate written notice thereof to the Company.

4. **ASSISTANCE AND CO-OPERATION.** The Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured but the Company shall have the right and shall be given the opportunity to associate with the Insured or the Insured's underlying insurers, or both, in the defense and control of any claim, suit or proceeding relative to an occurrence where the claim or suit involves or appears reasonably likely to involve the Company, in which event the Insured and the Company shall co-operate in all things in the defense of such claim, suit or proceeding.

5. **TERMINATION.** The Insured may terminate this Policy at any time by giving to the Company 30 days' previous notice. The Company may terminate this Policy at any time by giving to the Insured 30 days' previous notice. Any such notice shall be sent by registered mail and shall state the date upon which termination shall became effective. The effective date of termination shall be the end of the period of this Policy.

In Witness Whereof, the Company has caused this Policy to be executed and attested; but this Policy shall not be valid unless countersigned on this Declaration page by a duly authorized representative of the Company.

H31137I (EEXT)

NON-PREMIUM ENDORSEMENT Endorsement No. 1

Issued by – (Type in full name of Insuring Company)

CITY INSURANCE COMPANY

POLICY NUMBER	NAMED INSURED
HEC 9 69 37 14	SCM Corporation, etal
EFFECTIVE DATE AND TIME OF ENDORSEMENT	DATE PREPARED
1/1/78	1/25/78
PRODUCER	PRODUCER NO. –OPC
Marsh & McLennan, Inc.	50167-081

It is agreed that this policy is hereby amended as indicated. All other terms and conditions of this policy remain unchanged.

NAMED INSURED

a) SCM Corporation, all subsidiaries and subsidiaries of the subsidiaries, SCM Foundation, any other company of which it assumes active management, any employee sponsored association or clubs of the Named Insured.

b) Jotun-Baltimore Copper Paint Company a Joint Venture. However such coverage as is provided for the interest of Glidden-Durkee Division of SCM Corporation and A.F. Jotungruppen of Norway in the Joint Venture above is restricted to such coverage as is available to the Insured under the primary insurance stated in the Schedule of Underlying Insurances attached to this policy.

c) Sylvachem Corporation, A Joint Venture. However such coverage as is provided for the interest of Glidden-Durkee Division of SCM Corporation and St. Regis Paper Corporation in the Joint Venture above is restricted to such coverage as is available to the Insured under primary insurance stated in the Schedule of Underlying Insurances attached to this policy.

L. W. Richman

SIGNATURE OF AUTHORIZED REPRESENTATIVE

H 22300 (FH) 7/73

NON-PREMIUM ENDORSEMENT Endorsement No. 2

Issued by – (Type in full name of Insuring Company)

CITY INSURANCE COMPANY

POLICY NUMBER	NAMED INSURED
HEC 9 69 37 14	SCM Corporation, etal
EFFECTIVE DATE AND TIME OF ENDORSEMENT: 1/1/78	DATE PREPARED: 1/25/78
PRODUCER: Marsh & McLennan, Inc.	PRODUCER NO. – OPC: 50167-081

It is agreed that this policy is hereby amended as indicated. All other terms and conditions of this policy remain unchanged.

This endorsement does not provide coverage for any claim to the extent that recovery could not have been attained upon such claim in an action at law prior to the effective date of the Employee Retirement Income Security Act of 1974 (ERISA).

This is a standard ERISA exclusion.

K. W Richman
SIGNATURE OF AUTHORIZED REPRESENTATIVE

H 22300 (FH) 7/73

Endorsement No. 3

GU 8679a
(Ed. 10-59)

A&G 661a

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
(BROAD FORM)

This endorsement, effective 1/1/78 (12:01 A. M., standard time), forms a part of policy No. HEC 9 69 37 14

issued to SCM Corporation, etal

by City Insurance Company

It is agreed that the policy does not apply:

I. Under any Liability Coverage, to injury, sickness, disease, death or destruction

(a) with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

II. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if

(a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;

(b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

(c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties;

"nuclear material" means source material, special nuclear material or byproduct material;

"source material", **"special nuclear material"**, and **"byproduct material"** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

"waste" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"nuclear facility" means

(a) any nuclear reactor,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,

(c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

With respect to injury to or destruction of property, the word **"injury"** or **"destruction"** includes all forms of radioactive contamination of property.

130150(F)

K. W. Richman
Authorized Representative

GLD051521
0049-GLD-000051521

RECD
MAY 08 1979

NON-PREMIUM ENDORSEMENT — Endorsement No. 4

Issued by — (Type in full name of Insuring Company)

City Insurance Company

POLICY NUMBER	NAMED INSURED
HEC 9 69 37 14	S C M Corporation, Etal

EFFECTIVE DATE AND TIME OF ENDORSEMENT	DATE PREPARED
1-1-78	5-1-78 av

PRODUCER	PRODUCER NO. — ORC
Marsh & McLennan, Inc.	50167-081

It is agreed that this policy is hereby amended as indicated: All other terms and conditions of this policy remain unchanged.

It is hereby understood and agreed that Condition No. 5, Termination, is amended in part to read as follows:

"The Insured may terminate this Policy at any time by giving to the Company 60 days' previous notice. The Company may terminate the Policy at any time by giving the Insured 60 days' previous notice..."

K. W. Lichman

SIGNATURE OF AUTHORIZED REPRESENTATIVE

H 22300 (FH) 7/73

NON-PREMIUM ENDORSEMENT

Endorsement No. 5

Issued by — *(Type in full name of Insuring Company)*

City Insurance Company

POLICY NUMBER	NAMED INSURED	
HEC 9 69 37 14	S C M Corp., Etal	
EFFECTIVE DATE AND TIME OF ENDORSEMENT	DATE PREPARED	POLICY EXPIRATION
8-1-78	9-7-78	1-1-79
PRODUCER		PRODUCER NO.—OPC
Marsh & McLennan, Inc.		50167-081

It is agreed that this policy is hereby amended as indicated. All other terms and conditions of this policy remain unchanged.

Automobile Exclusion

In consideration of the premium charged, it is agreed that this policy shall not apply to any liability for damages, direct or consequential and expenses, arising out of leased vehicles or vehicles leased back when being used, for personal use by employees and employees' families or others driving with their permission.

SIGNATURE OF AUTHORIZED REPRESENTATIVE

H22300FH 4/77

GLD051523
0049-GLD-000051523