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- SCM EXCESS EUL-5082420 -
American Excess 1/1/81-1/1/82
159

SCM Excess EUL-5082420

American ~~Express~~ Excess 1/1/81-1/1/82

159.

American Excess Insurance Company

4th Layer
10 million xs 35 million
Amer. Exc.
2.5 million p/o 10 million

(hereinafter called the Company)
Wilmington, Delaware

Administrative Office: One Liberty Plaza - 91 Liberty Street
New York, New York 10006

Renewed by
Policy No. 5091553
effective 1-1-82

MARSH & MC LENNAN
1221 Avenue of the AMERICAS
New York, New York 10020

ATTENTION: Mr. Edward Dadakis

DECLARATIONS

CERTIFICATE OF EXCESS INSURANCE

S C M CORPORATION
(HEREINAFTER CALLED THE INSURED)

ITEM 1
~~299 Park Avenue~~
STREET LOCATION

New York — CITY
New York — STATE
10017 — ZIP

EUL 5082420 — CERTIFICATE NO.
OH — BRANCH
EUL-5070822 — PRIOR CERTIFICATE NO.

ITEM 2 1 | 1 | 81 — EFFECTIVE DATE; 1 | 1 | 82 — EXPIRATION DATE
12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE INSURED AS STATED IN ITEM 1.

ITEM 3 $ 5,000.00 — TOTAL PREMIUM

[illegible]	X [illegible] INSTALLMENTS
$5,000.00	

INSTALLMENT PERIOD

DATE OF NEXT INSTALLMENT

ITEM 3 PREMIUM (CONTINUED)
ADVANCE PREMIUM: $ 5,000.00
RATE: None
MINIMUM PREMIUM: $ 5,000.00

ITEM 4 DESCRIPTION OF COVERAGE HEREUNDER: Excess Umbrella Liability

ITEM 5 UNDERLYING POLICY AND LIMITS:
COMPANY: As per Schedules on file with the Company
POLICY NUMBER:
LIMITS: $35,000,000 each occurrence and in the aggregat where applicable Umbrella Liability.

ITEM 6 LIMIT(S) OF THE COMPANY'S LIABILITY: $2,500,000 each occurrence and in the aggregate where applicable part of $10,000,000 each occurrence and in the aggregate where applicable in excess of the total limit of liability specified in Item No. 5 above.

ITEM 7 CANCELLATION: 60 days

1/16/81 /eb
DATE

Countersigned by Peter Dean
AUTHORIZED REPRESENTATIVE

FORM AE-P-001-A.W.Y.-1-79

ORIGINAL COPY

PRINTED IN U.S.A.

GLD051799

0049-GLD-000051799

ENDORSEMENT
ISSUED BY

American Excess Insurance Company

Wilmington, Delaware

ONE LIBERTY PLAZA - 91 LIBERTY STREET
NEW YORK, N.Y. 10006

MARSH & MC LENNAN
1221 Avenue of the Americas
New York, New York 10020

ATTENTION: Mr. Edward Dakakis

S C M CORPORATION
(HEREIN CALLED THE INSURED)

Certificate No.	EFFECTIVE DATE OF ENDORSEMENT	Endorsement Number	CERTIFICATE PERIOD
EUL-5082420	1 1 81	1	FROM: 1 1 81 TO: 1 1 82

NEW YORK STATE AMENDATORY ENDORSEMENT

It is hereby understood and agreed that, notwithstanding anything in this Certificate to the contrary, with respect to such insurance as is afforded by this Certificate, the terms of this Certificate as respects coverage for operations in the State of New York shall conform to the coverage requirements of the applicable insurance laws of the State of New York or the applicable regulations of the New York Insurance Department; provided, however, that the Company's limit of liability as stated in this Certificate shall be excess of the limits of liability of any underlying insurance or self-insurance as stated in the Declarations or in any endorsement attached hereto.

It is further understood and agreed that, notwithstanding anything in this Certificate to the contrary, with respect to such insurance as is afforded by this Certificate for operations in the State of New York, the words in Insuring Agreement I..... "hereby indemnifies the Insured against ultimate net loss".... are deleted and replaced by... "will pay on behalf of the Insured the ultimate net loss"....

D-1048 (6/79)

Nothing herein contained shall alter, vary or extend any provision or condition of the Certificate to which this endorsement is attached other than as above stated.

√

1/16/81 /eb
DATE

Countersigned by [signature]
AUTHORIZED REPRESENTATIVE

ORIGINAL COPY

AE-2001 A N.Y. 10-79

GLD051800
0049-GLD-000051800

American Excess Insurance Company

EUL 5082420

I INSURING AGREEMENT

In consideration of the payment of the Certificate premium and in reliance upon the statements in the Declarations made a part hereof, the Company hereby indemnifies the Insured against ultimate net loss which is in excess of the total limits of all underlying insurance (hereinafter referred to as "underlying insurance") and which arises out of the hazards covered and defined in the underlying insurance as shown in Item 5 of the Declarations, but only up to an amount not exceeding the limit(s) shown in Item 6 of the Declarations.

Except with respect to premium; obligation to investigate, defend, pay costs and expenses incident to the same; amount and limits of liability; renewal agreement, if any; additional coverage provided by a discovery period provision; and any other provision contained in the immediate underlying insurance inconsistent with this Certificate, the provisions of such underlying insurance are hereby incorporated as part of this Certificate.

Regardless of the number of (1) Insureds under this Certificate, (2) persons or organizations who sustain injury or damage or (3) claims made or suits brought covered hereby, the Company's total limit of liability for loss excess of Underlying Insurance shall be limited to the amount stated in Item 6 of the Declarations of this Certificate as applicable to "each claim", "each accident" or "each occurrence"; provided, however, that the Company's liability shall be further limited, where and as applicable, to the amount stated in Item 6 as the Company's "aggregate" with respect to loss excess of the Underlying Insurance which occurs during the term of this Certificate.

II EXCLUSIONS

This Certificate does not apply:

(a) to personal injury, bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants, or pollutants into or upon land, the atmosphere or any watercourse or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental;

(b) to personal injury, bodily injury or property damage

(1) With respect to which an Insured under this Certificate is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, American Nuclear Insurers, 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 limits of liability, or

(2) Resulting from the hazardous properties of nuclear material and with respect to which

(a) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954 or any law amendatory thereof, or

(b) The Insured is, or had this Certificate 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;

(3) Resulting from the hazardous properties of nuclear material, if

(a) The nuclear material is at any nuclear facility owned by, or operated by or on behalf of, an Insured or has been discharged or disbursed therefrom, or

(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 personal injury or property damage 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 (3)(c) applies only to property damage to such nuclear facility and any property thereat;

provided that the words "property damage" include all forms of radioactive contamination of property.

As used in this exclusion

"Hazardous Properties" include radioactive, toxic or explosive properties;

"Nuclear Material" means source material, special nuclear material or by-product material;

"Source Material", "Special Nuclear Material" and "By-Product 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 containing by-product material resulting from the operation by any person or organization of any nuclear facility included within the definition of "Nuclear Facility" under paragraph (1), or (2), thereof;

"Nuclear Facility" means

(1) Any nuclear reactor,

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

(3) 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,

(4) 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 operation;

"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.

III DEFINITIONS

1. Ultimate Net Loss

Ultimate Net Loss, as used herein, shall mean the sums paid in settlement of losses for which the Insured is liable after making deductions for all recoveries, salvages and other insurances (other than recoveries under the underlying insurance, policies of co-insurance, or policies specifically in excess hereof), whether recoverable or not, and shall exclude (1) All expenses for salaried employees and counsel on general retainer; (2) All office expenses of the Insured; (3) All expenses incurred by the Insured with respect to accidents or occurrences for which insurance is not afforded under this Certificate; and (4) Expenses incurred by the Insured under Contract with another to provide loss prevention and/or claims control services.

Interest on judgements including but not limited to interest that accrues from the date suit is filed or interest that accrues from date of death, investigation, adjustment and legal expenses including taxed court costs and premiums on bonds that are incurred by the Insured with the written consent of the Company shall be apportioned as follows:

(1) In the event of claim or suit arising which appears likely to exceed the underlying insurance limit or limits, no costs shall be incurred by the Insured without the written consent of the Company.

(2) Should any claim or suit be settled for not more than the underlying insurance limit or limits, then no costs shall be payable by the Company.

(3) Should, however, the sum for which the said claim or suit may be settled exceed the underlying insurance limit or limits, then the Company, if it approves such settlement or consents in writing to the proceedings continuing, shall contribute to the costs incurred by the Insured in the ratio that its proportion of the ultimate net loss, as finally adjusted, bears to the whole amount of such ultimate net loss.

(4) In the event the Insured elects not to appeal a judgement in excess of the underlying insurance limit or limits, the Company may elect to conduct such appeal at its own cost and expense and shall be liable for the taxable court costs and interest incidental thereto, but in no event shall the total liability of the Company exceed its limit or limits of liability as stated herein, plus the costs of such appeal.

(5) In the event a judgement is rendered in excess of the underlying insurance limit or limits and the underlying insurer or insurers elect to appeal such judgement, the sole responsibility of obtaining an appeal bond in regard to liability in excess of the underlying insurance limit or limits shall rest with the Insured and its underlying insurer or insurers.

IV CONDITIONS

1. Action Against Company: No action shall lie against the Company unless, as a condition precedent thereto, the Insured shall have fully complied with all the terms of this Certificate nor until (a) the Insured shall have paid ultimate net loss in excess of the underlying limit or (b) the Insured's obligation to pay shall have been finally determined either by judgement against the Insured after actual trial or by written agreement of the Insured, the claimant and the Company.

2. Application of aggregate limits: If aggregate limits are specifically stated in Items 5 and 6 of the Declarations of this Certificate, then, the insurance afforded hereunder will apply in excess of reduced underlying insurance provided such reduction in the underlying insurance is solely the result of payment of claim(s) resulting from accidents or occurrences which take place during the term of this Certificate. If aggregate limits are not specifically stated in Item 5 and 6 of the Declarations, the coverage provided by this Certificate applies only with respect to each accident or occurrence for limits in excess of the amount provided for each accident or occurrence in the underlying insurance and does not apply over any reduced amount of underlying insurance in the event of exhaustion or reduction of aggregate limits (if any) in the underlying insurance.

3. Assignment: Assignment of interest under this Certificate shall not bind the Company until its consent is endorsed hereon.

4. Cancellation: This Certificate may be cancelled by the Insured by surrender thereof to the Company or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This Certificate may be cancelled by the Company upon written notice to the Insured, such notice to be not less than the number of days set forth in Item 7 of the Declarations of this Certificate. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of the surrender or the

effective date and hour of cancellation stated in the notice shall become the end of the certificate period. Delivery of such written notice either by the Insured or by the Company shall be equivalent to mailing. If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro-rata. Premium adjustments may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation. The Company may, however, cancel this Certificate absolutely on five (5) days notice for non-payment of premium due.

Notice shall be given by the Insured to the Company at One Liberty Plaza — 91 Liberty Street, New York, New York 10006, and by the Company to the Insured at the Insured's address as shown in the Declarations. Notice by the Company to the first Named Insured, if more than one, shall be deemed notice to any other interests included as an Insured.

5. Changes: Notice to or knowledge possessed by any person shall not effect a waiver or change in any part of this Certificate or estop the Company from asserting any rights under the terms of this Certificate; nor shall the terms of this Certificate be waived or changed, except by endorsement issued to form a part hereof, signed by an authorized representative of the Company.

6. Examination and Audit: The Company may examine and audit the Insured's books and records at any time during the term of this Certificate and thereafter as far as they relate to the subject matter of this insurance.

7. Loss Payable: The Company's obligation to pay any ultimate net loss and costs with respect to any accident or occurrence falling within the terms of this Certificate shall not attach until the amount of the applicable underlying limit has been paid by or on behalf of the Insured on account of such accident or occurrence.

8. Maintenance of Underlying Insurance: The limits of the underlying insurance shall be maintained by the Insured in full force and effect during the currency of this Certificate. Failure of the Insured to comply with the foregoing shall not invalidate this Certificate but in the event of such failure, the Company shall be liable only to the extent that it would have been liable had the Insured complied therewith. The Insured hereby agrees to promptly furnish the Company with a copy of the policy or policies of underlying insurance and renewals or replacements thereof including all endorsements attached thereto and to forward to the Company any subsequent endorsement to the underlying insurance which provides for any material change in coverage as described in Item 4 of the Declarations.

9. Notice of Loss: The Insured shall give prompt written notice to the Company of: (a) any accident or occurrence for which, without regard to liability, the value of injuries or damages sought as estimated by the Insured or, with the knowledge of the Insured, by the underlying insurer might result in a judgement sufficient to involve the Company's limit(s) of liability hereunder, (b) any accident or occurrence with respect to which the underlying insurer has notified the Insured that it has established a loss reserve equal to or greater than fifty (50) percent of said underlying insurer's limit of liability, (c) any cumulative incurred (paid and outstanding reserve) loss amounts, of which the Insured has been notified by the underlying insurer, totaling fifty (50) percent of the underlying aggregate limits where aggregate limits apply.

Such notice shall contain particulars sufficient to identify the Insured and also reasonably obtainable information respecting the date, time, place and circumstances of the accident or occurrence, the names and addresses of each party sustaining injury or damage and a description of such injury or damage. At no time shall the Company be called upon to assume charge of the settlement or defense of any claims made or suits brought or proceedings instituted against the Insured, but the Company shall have the right and shall be given the opportunity to associate with the Insured or its underlying insurer or insurers, or both, in the control, defense and/or trial of any claims, suits or proceedings which, in the opinion of the Company, involves or appears reasonably likely to involve the Company.

The Insured shall (a) cooperate with the Company and the underlying insurer or insurers in the control, defense and/or trial of such claims, suits or proceedings so as to effect a final determination thereof and (b) enforce any right of contribution or indemnity against any person or organization who may be liable to the Insured, because of liability with respect to which insurance is afforded under this Certificate and the underlying insurance.

10. Premium Computation: Premium due the Company for this excess insurance shall be that amount shown in Item 3 of the Declarations and is payable upon the effective date of this Certificate. The advance premium stated in the Declarations is a deposit premium only unless otherwise specified. Upon termination of this Certificate, the earned premium shall be computed in accordance with the rates and minimum premium applicable to this insurance as stated in the Declarations. If the earned premium thus computed exceeds the advance premium paid, the Insured shall pay the excess to the Company; if less, the Company shall return to the Insured the unearned portion in excess of the minimum premium stated in Item 3 of the Declarations paid by such Insured. The Insured shall maintain records of the information necessary for premium computation on the basis stated in the Declarations and shall send copies of such records to the Company at the end of the Certificate period, as the Company may direct.

11. Prior Insurance and Non Cumulation of Liability: It is agreed that if any loss covered hereunder is also covered in whole or in part under any other excess policy or certificate issued to the Insured prior to the inception date hereof, the limit of liability hereon as stated in Item 6 of the Declarations of this Certificate shall be reduced by any amounts due the Insured on account of such loss under such prior insurance.

12. Service of Suit: (not applicable in Connecticut, Delaware and New York) It is agreed that in the event of the failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Insured, will submit to the jurisdiction of any Court of Competent Jurisdiction within the United States and will comply with all the requirements necessary to give such Court jurisdiction and all matters arising hereunder shall be determined in accordance with the law and practice of such court.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute or his successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted in any Court of Competent Jurisdiction by or on behalf of the Insured, or any beneficiary hereunder arising out of this Certificate of Excess Insurance, and hereby designates T. Darrington Semple, Jr., Secretary, American Excess Insurance Company, One Liberty Plaza — 91 Liberty Street, New York, New York 10006, or his representative as the person to whom said officer is authorized to mail such process or a true copy thereof.

whom said officer is authorized to mail such process or a true copy thereof.

13. Subrogation and Salvage: All salvages, recoveries or payments recovered or received subsequent to a settlement under this Certificate shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Company.

Inasmuch as this Certificate is Excess Insurance, the Insured's right of recovery against any person cannot be exclusively subrogated to the Company. It is, therefore, understood and agreed that in the event of payment hereunder, the Company will act in concert with all other interests (including the Insured) concerned in the exercise of such rights of recovery. The apportioning of any amounts which may be so recovered shall follow the principal that any interests (including the Insured) that shall have paid an amount over and above any payment hereunder, shall first be reimbursed up to the amount paid by them; the Company is then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the Insured) of whom this coverage is in excess are entitled to claim the residue, if any. Expenses necessary to the recovery of any such amount shall be apportioned between the interests (including the Insured) concerned, in the ratio of their respective recoveries as finally settled. The Insured shall do nothing after loss to prejudice such rights.

Nothing herein contained shall be construed to mean that the Insured shall be required to enforce by legal action any right of subrogation or indemnity before the Company shall pay any loss covered hereunder.

14. Term: This Certificate applies only to accidents or occurrences happening between the effective and expiration dates shown in Item 2 of the Declarations of this Certificate, unless otherwise cancelled.

15. Terms of Certificate Conformed to Statute: Terms of this Certificate which are in conflict with the statutes of the State wherein this Certificate is issued are hereby amended to conform to such statutes.

IN WITNESS WHEREOF, the Company has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Company unless countersigned by an authorized representative of the Company.

James D. Koehnen	T. Darrington Semple, Jr.
James D. Koehnen	T. Darrington Semple
President	Secretary