LEGAL PRESENTATION
BOARD OF DIRECTORS MEETING
JULY 31, 1980
SARATOGA, WYOMING

- OUTLINE -

GEP I. INTRODUCTION AND OVERVIEW

A. OVERVIEW OF DEPARTMENT ACTIVITIES

B. COMPARISON OF DEPARTMENT COSTS TO SALES

C. INTRODUCTION INTO SIGNIFICANT MATTERS TO BE DISCUSSED FOR BALANCE OF MEETING

1. RESCON LITIGATION
2. ASBESTOS HEALTH LITIGATION
3. INSURANCE LITIGATION

RBVW II. DISCUSSION OF SIGNIFICANT MATTERS

A. GENERAL LITIGATION OVERVIEW

1. 4-1/2 YEAR COMPARISON OF LITIGATION
2. 2-1/2 YEAR COMPARISON OF LITIGATION BY DIVISION

B. RESCON LITIGATION - STATUS; ESTIMATES; MGM; INSURANCE

C. ASBESTOS HEALTH LITIGATION

1. CONTINUED GROWTH IN LITIGATION

A. NEW CASES PER MONTH

JULY = 493 NEW CASES THROUGH 7/28/80 - STAGGERING

- 1980 AVERAGE = 181
- 1979 AVERAGE = 146
- 1978 AVERAGE = 65

B. DISTRIBUTION OF PLAINTIFFS BY TYPE - INSULATION WORKERS, SHIPYARD, ETC.

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2. DISPOSITION OF CASES
   - A. TRIAL EXPERIENCE TO DATE - AVERAGE COSTS
   - B. TOTAL DISPOSITION EXPERIENCE TO DATE - COST PER CASE
     - I. 1980 HIGH - EXPLANATION
     - II. J-M % CONSTANT
3. SUMMARY SIGNIFICANT DEVELOPMENTS
   - A. GROWTH IN CASES
   - B. GROWTH IN DISPOSITION COSTS
   - C. TRIALS -
     - I. HOGARD - SHIPYARD CASE
     - II. MCGRATH - FIBER CASE
     - III. J-M AVERAGE COST
   - D. EMPLOYEE CASES - RUDKIN
   - E. COLLATERAL ESTOPPEL - CALIFORNIA
   - F. U.S. GOVERNMENT INVOLVEMENT
   - G. PUNITIVE DAMAGES
   - H. CLASS-ACTIONS
4. PROJECTIONS OF FUTURE - NEW CASES
   - A. STATISTICAL PROJECTION
   - B. INTERNAL DEPARTMENT PROJECTIONS
   - C. SUMMARY OF PROJECTIONS
5. PROJECTIONS OF FUTURE COSTS
   - A. ASSUMPTIONS USED
   - B. ESTIMATE OF FUTURE COSTS FOR CURRENT CASES
   - C. ESTIMATE OF FUTURE COSTS - BASED ON PROJECTIONS OF CASES

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OUTLINE
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D. INSURANCE LITIGATION

1. DESCRIPTION OF 4 CASES
   - A. TRIAL SCHEDULE
   - B. COVERAGE INVOLVED
2. CHART OF COVERAGE
3. DEFINITIONS
4. THE LITIGATION - WHY?
5. ISSUES IN THE LITIGATION
6. ORGANIZATION TO CONTROL LITIGATION
   - A. MAGNITUDE - GAF EXAMPLE
   - B. PREPARATION - BEST POSSIBLE RESOURCES
7. WHAT IF?
   - A. CONCEALMENT
   - B. EXPOSURE
   - C. MANIFESTATION
   - D. PROPERTY DAMAGE

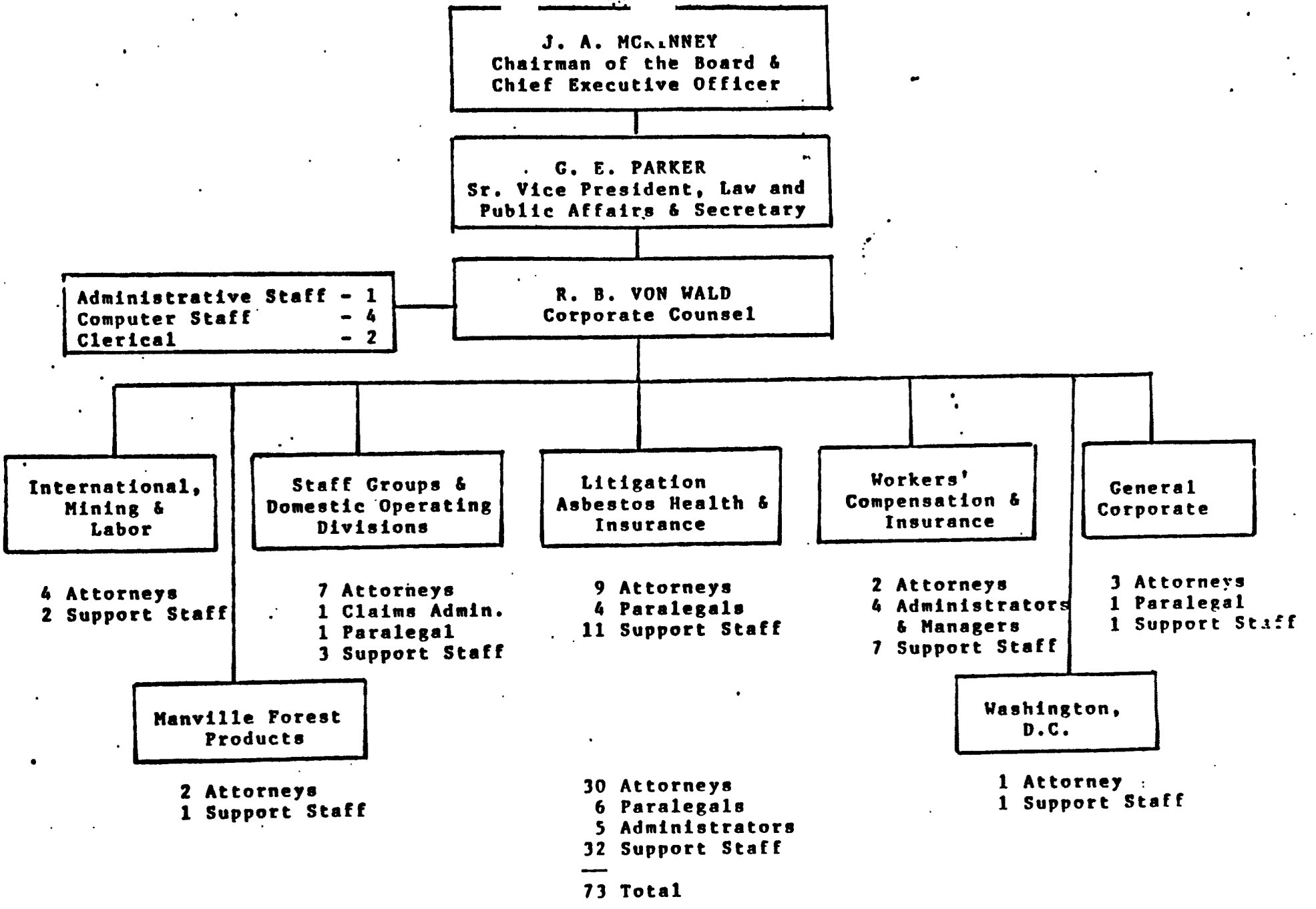
E. PURCHASE OF FUTURE INSURANCE COVERAGE

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BOARD MEETING
LIST OF TRANSPARENCIES

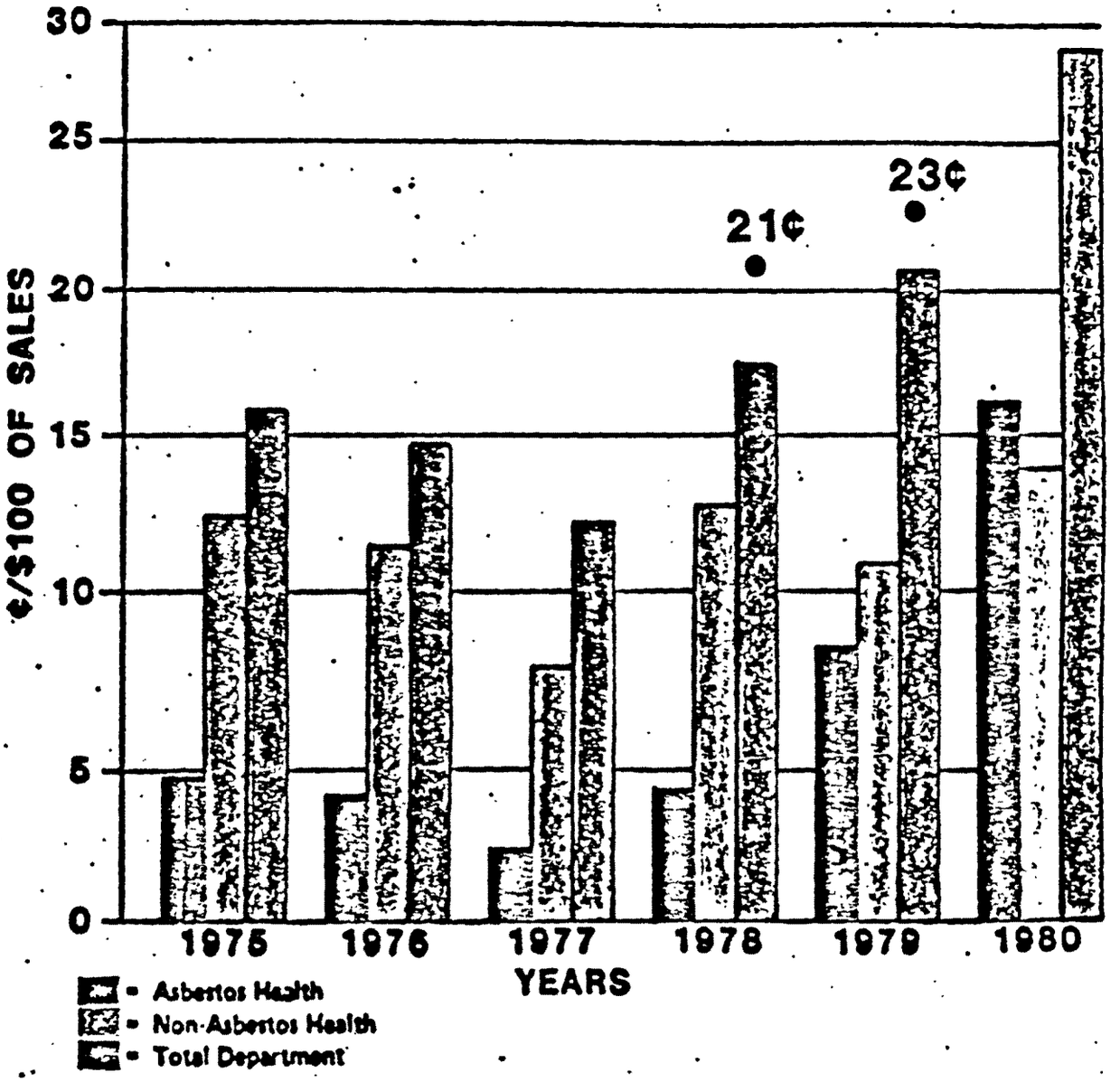
1. & 2.	G. E. Parker to use Organization slide & Cost/$100 Sales	
3.		Litigation - Balance Sheet
4.		Litigation by Division
5.	Rescon Slide	- Pictures
6.		- Costs & Estimates of Future
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20.		- Chart of Coverages
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25.		- What If?
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Expense vs Sales Revenue



Year	Revenues	Expenses Total Dept. (1)		Non-Asbestos Portion (1)		Asbestos Portion Only (1)	
1975	1,117,749	1,790	(16¢)	1,250	(11.1¢)	540	(5¢)
1976	1,291,200	1,945	(15¢)	1,400	(10.8¢)	545	(4¢)
1977	1,479,795	1,674	(11.3¢)	1,300	(8.7¢)	374	(2.6¢)
1978	1,676,589	2,940	(17.5¢)	2,150	(12.8¢)	790	(4.7¢)
1979	1,803,000	3,650	(20.2¢)	1,918	(10.6¢)	1,732	(9.6¢)
1980	1,887,000	5,470	(28.9¢)	2,590	(13.7¢)	2,880	(15.2¢)

(1) Expenses per $100 of revenues.

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LITIGATION

	12/31/76	12/31/77	12/31/78	12/31/79	06/30/80
TOTAL OPEN CASES AS OF DATE	616	988	1447	3100	3772
TYPES OF ACTIVE CASES AS OF DATE					
A. PRODUCT LIABILITY	272	318	169	260	259
B. OCCUPATIONAL HEALTH	247	559	1156	2682	3313
C. NON-PRODUCT RELATED	85	93	103	130	170
D. J-M INITIATED	12	18	19	28	30
COMPLETELY OR PARTIALLY INSURED AS OF DATE	526	866	1327	2980	3479

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LITIGA BY DIVISION

	TOTAL OPEN CASES AS OF 12/31/73		TOTAL OPEN CASES AS OF 12/31/79		TOTAL OPEN CASES AS OF 06/30/80
ASBESTOS HEALTH	1156	(1747/221)	2632	(775/144)	3313
BUILDING SYSTEMS	95	(31/15)	111	(12/6)	117
HOLOPHANE	4	(1/2)	3	(-/-)	3
INDUSTRIAL PRODUCTS	22	(10/5)	27	(5/11)	21
INDUSTRIAL SPECIALTIES	26	(5/3)	28	(3/2)	29
INTERNATIONAL	11	(-/-)	11	(-/-)	11
MANVILLE FOREST PRODUCTS			66	(17/5)	73
PIPE	43	(9/10)	42	(6/-)	43
PRIVATE CARRIAGE	22	(9/3)	28	(3/-)	31
RESIDENTIAL PRODUCTS	32	(30/14)	48	(12/2)	53
MISCELLANEOUS	36	(23/5)	54	(12/3)	63
TOTALS	1447	(1865/278)	3100	(845/173)	3772

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A STOS HE | LITIGATION

NEW CASES PER MONTH

	1976	1977	1978	1979	1980
JANUARY	4	8	50	112	103
FEBRUARY	13	11	14	255	67
MARCH	10	55	63	54	123
APRIL	10	32	61	112	172
MAY	6	18	59	72	139
JUNE	6	22	76	104	171
JULY	10	23	126	234	493
AUGUST	18	28	61	163	
SEPTEMBER	8	24	44	173	
OCTOBER	26	55	37	122	
NOVEMBER	38	35	36	207	
DECEMBER	8	52	152	146	
TOTAL	157	363	779	1754	1268
MONTHLY AVERAGE	13	30	65	146	181

AS OF JULY 23, 1980 - 3746 OPEN CASES

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ASBESTOS HEALTH CASES
DISTRIBUTION OF PLAINTIFFS

YEAR	INSULATION WORKER	SHIPYARD WORKER	FACTORY WORKER	EMPLOYEE CASES	OTHER	TOTAL
PRE-1975	15	0	5	0	4	24
1975	45	3	200	0	10	258
1976	167	29	139	0	17	352
1977	157	170	192	0	15	534
1978	549	239	122	31	241	1182
1979	541	707	49	81	737	2165
1980 (THROUGH 06/30/80)	219	276	40	9	232	776

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TRIAL EXPERIENCE

YEAR	NO. OF CASES	TOTAL AVERAGE VERDICT/CASE	J-M AVERAGE SHARE/CASE
1974	1	$ 79,400	$ 9,750
1975	1	$ 214,000	$ 214,000
1976	2	$ 53,000	$ 5,500
1977	4	$ 15,250	$ 1,700
1978	4	$ 97,500	$ 73,500
1979	6	$ 11,000(A)	$ 8,700(A)
1980	3	$ 83,333(B)	$ 54,200(B)
TOTALS	21	$ 45,700	$ 35,700

(A) EXCLUDES 3 CASES RESULTED IN VERDICTS FOR PLAINTIFF OF $435,000 EACH - OVERTURNED BY TRIAL COURT NOW ON APPEAL.

(B) INCLUDES HOGARD IN LOS ANGELES - ASSUMES $250,000 DISPOSITION.

SUMMARY

21 CASES TRIED

9 VERDICTS FOR PLAINTIFFS

12 VERDICTS FOR DEFENDANTS

OF LAST 17 CASES TRIED - 12 HAVE RESULTED IN VERDICTS FOR DEFENDANTS. OF THOSE 12 VERDICTS, 3 ARE ON APPEAL BY THE PLAINTIFFS.

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TRIAL EXPERIENCE

			J-M SHARE
1974			
BOREL	PLTS VERDICT	79,436.24	9,750.00
1975			
KARJALA	PLTS VERDICT	214,079.33	214,079.33
1976			
LOUISVILLE			
TRUST	PLTS VERDICT	90,000.00 [1]	0
HAMILTON	PLTS VERDICT	16,000.00 [2]	11,000.00
1977			
STARNES	DEF VERDICT		
DANIELS	DEF VERDICT		
BUMGARDNER	DEF VERDICT		
CONDRAY	PLTS VERDICT	60,693.75	6,743.75

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1. A COMBINATION OF APPEALS AND CROSS-CLAIMS AGAINST PLAINTIFF'S DECEDANT'S EMPLOYER RESULTED IN NO ACTUAL PAYMENT BY JOHNS-MANVILLE.

2. JOHNS-MANVILLE, SOLE DEFENDANT, APPEALED AND CASE SETTLED ON APPEAL FOR $11,000.

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1978

BARNETT	DEF VERDICT (NEW TRIAL GRANTED)[3]		
DISHNER	PLTS VERDICT	750,000.00[4]	275,000.00
CAMPBELL, J.	PLTS VERDICT	75,000.00	9,000.00
CAMPBELL, M.	DEF VERDICT		

1979

CARPENTER	DEF VERDICT		
BJORQUIST	PLTS VERDICT	65,000.00[5]	
OMAN	PLTS VERDICT[6] 435,000 EA.		217,500.00[6]
WALKER			145,000.00[6]
GIBBONS			435,000.00[6]
McGRATH	DEF VERDICT		

3. ORDER GRANTING PLAINTIFF NEW TRIAL APPEALED, AND CASE SETTLED ON APPEAL FOR $40,000, JOHNS-MANVILLE SHARE $10,000.

4. JOHNS-MANVILLE, SOLE DEFENDANT, APPEALED AND CASE SETTLED ON APPEAL FOR $275,000.

5. JOHNS-MANVILLE APPEALED, CASE SETTLED ON APPEAL FOR $52,000.

6. JOHNS-MANVILLE MOTION FOR JUDGMENT NOV GRANTED, RESULTING IN JUDGMENT IN FAVOR OF JOHNS-MANVILLE. PLAINTIFFS HAVE APPEALED.

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1980

MOONEY	DEF VERDICT [7]		
CAMPBELL, T.	DEF JUDGMENT [8]		
HOGARD	PLTS VERDICT	1,229,491.00 [9]	799,173.00

SUMMARY

21 CASES TRIED
9 VERDICTS OR JUDGMENTS FOR PLAINTIFFS
12 VERDICTS OR JUDGMENTS FOR DEFENDANTS

IN NO CASES HAVE ANY PUNITIVE DAMAGES BEEN AWARDED.

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7. PLAINTIFFS' MOTION FOR NEW TRIAL GRANTED.

8. DURING THE COURSE OF THE TRIAL PLAINTIFF ELECTED TO VOLUNTARILY DISMISS HIS CASE WITH PREJUDICE.

9. JOHNS-MANVILLE POST TRIAL MOTIONS FOR JUDGMENT NOV ON NEW TRIAL PENDING.

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AVERAGE DISPOSITION COSTS

	NO. OF CASES	TOTAL COST	AVG. COST	TOTAL J-M COST	AVG. J-M COST	J-M %
PRE-1974	7	$ 192,500	$ 27,500	$ 60,998	$ 8,714	32 %
1974	4	120,936	30,234	19,748	4,937	16
1975	15	838,770	55,918	337,980	22,532	40
1976	17	1,153,909	67,877	360,910	21,230	31
1977	52	2,933,736	56,418	643,864	12,382	22
1978	174	10,527,000	60,500	2,400,852	13,798	23
1979	167	6,219,414	37,242	2,570,689	11,033	30
1980 (7 MOS.)	156	14,880,376	95,400	5,562,113	30,950	32

J-M TOTAL AND AVERAGE COST FIGURES COMPUTED ON TOTAL CASES DISPOSED OF BY J-M, WHICH REFLECT SOME PARTIAL SETTLEMENTS INVOLVING NOT ALL DEFENDANTS.

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ASBESTOS HEALTH LITIGATION

SUMMARY OF SIGNIFICANT DEVELOPMENTS

1. RECEIVED 493 NEW CASES IN FIRST 23 DAYS OF JULY.

1980 AVERAGE/MONTH	181
1979 AVERAGE/MONTH	146
1978 AVERAGE/MONTH	65

2. AVERAGE DISPOSITION COSTS/PLAINTIFFS

1980 -	$31,000
1979 -	11,033
1978 -	13,800
1977 -	12,400
1976 -	21,230
1975 -	22,530

3. J-M SHARE OF DISPOSITION COSTS = CONSTANT AT 30%

4. TRIALS IN PAST YEAR - 4 (3 WINS - 1 LOSS)

   A) McGRATH - FIRST PURE FIBER CASE - WON
   B) HOGARD - FIRST LOS ANGELES SHIPYARD CASE - LOST
   C) J-M AVERAGE COST/CASE TRIED = $35,000

5. EMPLOYEE CASES - RUDKIN DECISION

   A) ALLOWS EMPLOYEES TO SUE OUTSIDE WORKERS' COMPENSATION

   B) MUST ALLEGE AND PROVE FRAUD AND AGGRAVATION OF INJURY

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6. COLLATERAL ESTOPPEL

A) CALIFORNIA DECISION FOLLOWS ALL OTHER COUNTS (EXCEPT U.S. DISTRICT COURT FOR EASTERN DISTRICT OF TEXAS) IN DENYING COLLATERAL ESTOPPEL ON ISSUE OF STATE OF THE ART (FORESEEABILITY).

7. U.S. GOVERNMENT - INVOLVEMENT

A) GLOVER CASE SEEKING INDEMNITY FROM THE U.S. GOVERNMENT IN SHIPYARD CASE - ON APPEAL TO 4TH CIRCUIT.

B) LOS ANGELES ACTION BY THE COMPANIES SEEKING TO BRING GOVERNMENT INTO SHIPYARD CASES WAS DISMISSED. NOW ON APPEAL TO 9TH CIRCUIT.

8. PUNITIVE DAMAGES

A) NO CHANGE - NONE AWARDED

B) HOGARD - COURT REFUSED TO ALLOW JURY TO CONSIDER THE ISSUE.

C) NO SIGNIFICANT NEW FACTS HAVE BEEN UNCOVERED.

9. CLASS ACTIONS

A) NO CHANGE - NO CLASS HAS YET BEEN CERTIFIED.

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STATISTICAL PROJECTIONS

	CASES	PLAINTIFFS
1978 (A)	750(779)	1065(1182)
1979 (A)	1700(1754)	2225(2165)
1980 (B)	3586	4798
1981 (B)	7728	10665

(A) PROJECTIONS FOR 1978 AND 1979 MADE IN JANUARY 1978

(B) PROJECTIONS FOR 1980 AND 1981 MADE IN JUNE 1980

( ) = ACTUAL RESULTS

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INTERNAL DEPARTMENT

PROJECTIONS

YEARS	CASES	PLAINTIFFS
1978	750 (779)	750 (1182)
1979	1750 (1754)	2000 (2165)
1980	2000	2500
1981	2500	3000
1982	2500	3000
1983	1700	2000
1984	900	1000

( ) = ACTUAL RESULTS

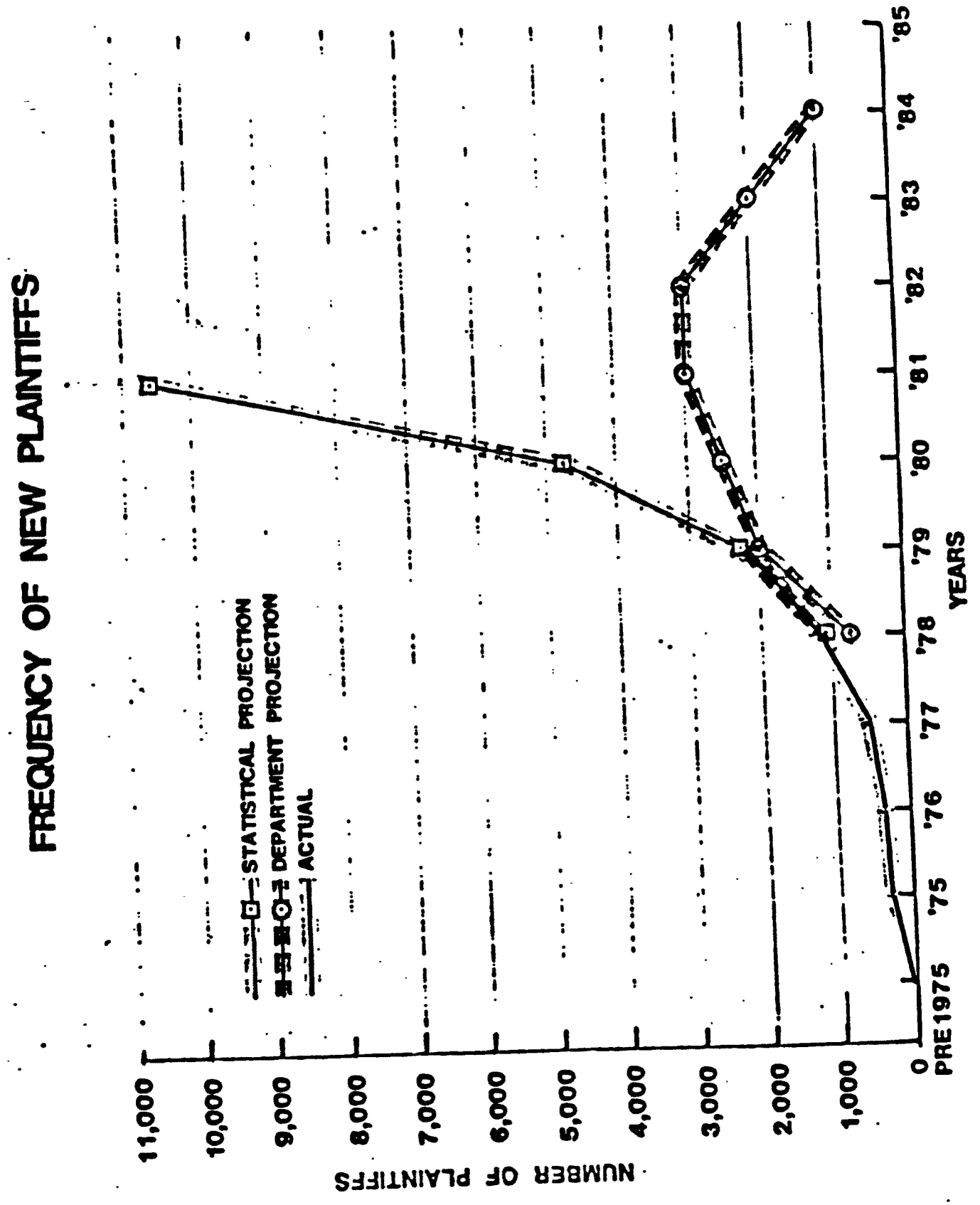
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SUMMARY OF PROJECTIONS

(PLAINTIFFS)

YEAR	STATISTICAL PROJECTION	INTERNAL DEPARTMENT	ACTUAL RESULTS
1978	1064	750	1182
1979	2225	2000	2165
1980	4798	2500	
1981	10665	3000	
1982		3000	
1983		2000	
1984		1000	

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CASES RECEIVED BY CALENDAR QUARTER
(AS A % OF TOTAL YEAR)

	1976	1977	1978	1979
1ST QUARTER	21%	24%	16%	24%
2ND QUARTER	13	17	25	17
3RD QUARTER	30	29	30	32
4TH QUARTER	36	31	29	27

AVERAGES

1ST QUARTER	21%
2ND QUARTER	18%
3RD QUARTER	30%
4TH QUARTER	31%

USING THESE AVERAGES ON YEAR TO DATE 1980

RESULTS:

1) BASED ON 2-QUARTERS = 1987 CASES
2) BASED ON 2ND QUARTER ONLY = 2678 CASES

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COST PROJECTIONS
ASSUMPTIONS

PROJECTION OF NEW PLAINTIFFS

STATISTICAL METHOD	INTERNAL METHOD
3500 AS OF 1/1/80	3500 AS OF 1/1/80
1980 - 4798	3000
1981 - 10665	3000
1982	3000
1983	2000
1984	1000

COST PER PLAINTIFF

	DEFENSE COSTS	DAMAGES	TOTALS
1980	-	$ 30,000	$ 30,000
1981	$ 7,000	33,000	40,000
1982	10,000	40,000	50,000
1983	12,000	48,000	60,000
1984	15,000	55,000	70,000
1985	15,000	60,000	75,000
1986	15,000	65,000	80,000
1987	15,000	65,000	80,000
1988	15,000	65,000	80,000
1989	15,000	65,000	80,000

DISPOSITION OF PLAINTIFFS

10% IN YEAR 1
20% IN YEAR 2
30% IN YEAR 3
25% IN YEAR 4
15% IN YEAR 5

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DISPOSITION COSTS

FOR CURRENT POPULATION OF PLAINTIFFS

(AS OF 7/25/80)

($000)

YEAR	NO. OF PLAINTIFFS	ATTORNEY FEES/CASE	DAMAGES/ CASE	TOTAL COST/YEAR
1981	500	7	33	20,000
1982	1000	10	40	50,000
1983	1500	12	43	90,000
1984	1250	15	55	87,500
1985	750	15	60	56,250
	5000			$303,750

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ESTIMATE OF COSTS
BASED ON PROJECTIONS
($000)

STATISTICAL METHOD (18,963 PLAINTIFFS)

YEAR	COST/YEAR	CUMULATIVE COST	INS. PROCEEDS BALANCE
1980	$ 10,500		$ 589,500
1981	47,200	$ 57,700	542,300
1982	153,800	211,500	388,500
1983	266,700	478,200	121,800
1984	344,680	822,789	(222,789)
1985	253,948	1,076,776	(476,737)
1986	127,980	1,204,716	(604,717)

INTERNAL METHOD (15,500 PLAINTIFFS)

1980	$ 10,500		$ 539,500
1981	40,000	$ 50,500	549,500
1982	97,500	148,000	452,000
1983	108,000	256,000	344,000
1984	208,250	464,250	135,750
1985	195,000	659,250	(59,250)
1986	160,000	819,250	(219,250)
1987	100,000	919,250	(319,250)
1988	44,000	963,250	(363,250)
1989	12,000	975,250	(375,250)

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INSURANCE LITIGATION

1. BOSTON - <u>COMMERCIAL UNION VS. JOHNS-MANVILLE</u>

   A) FILED: JANUARY 4, 1979
   B) COVERAGE: 1934 - 1948 PRIMARY U.S.
   C) $37 MILLION PLUS COSTS OF DEFENSE

2. MONTREAL - <u>CANADIAN INDEMNITY VS. CANADIAN J-M</u>

   A) FILED: AUGUST 8, 1979
   B) COVERAGE: 1970 - 1976 CANADIAN PRIMARY
   C) $8 MILLION

3. TORONTO - <u>J-M CANADA VS. SUN ALLIANCE</u>

   A) FILED: NOVEMBER 2, 1979
   B) COVERAGE: 1946 - 1970 CANADIAN PRIMARY
   C) $12 MILLION

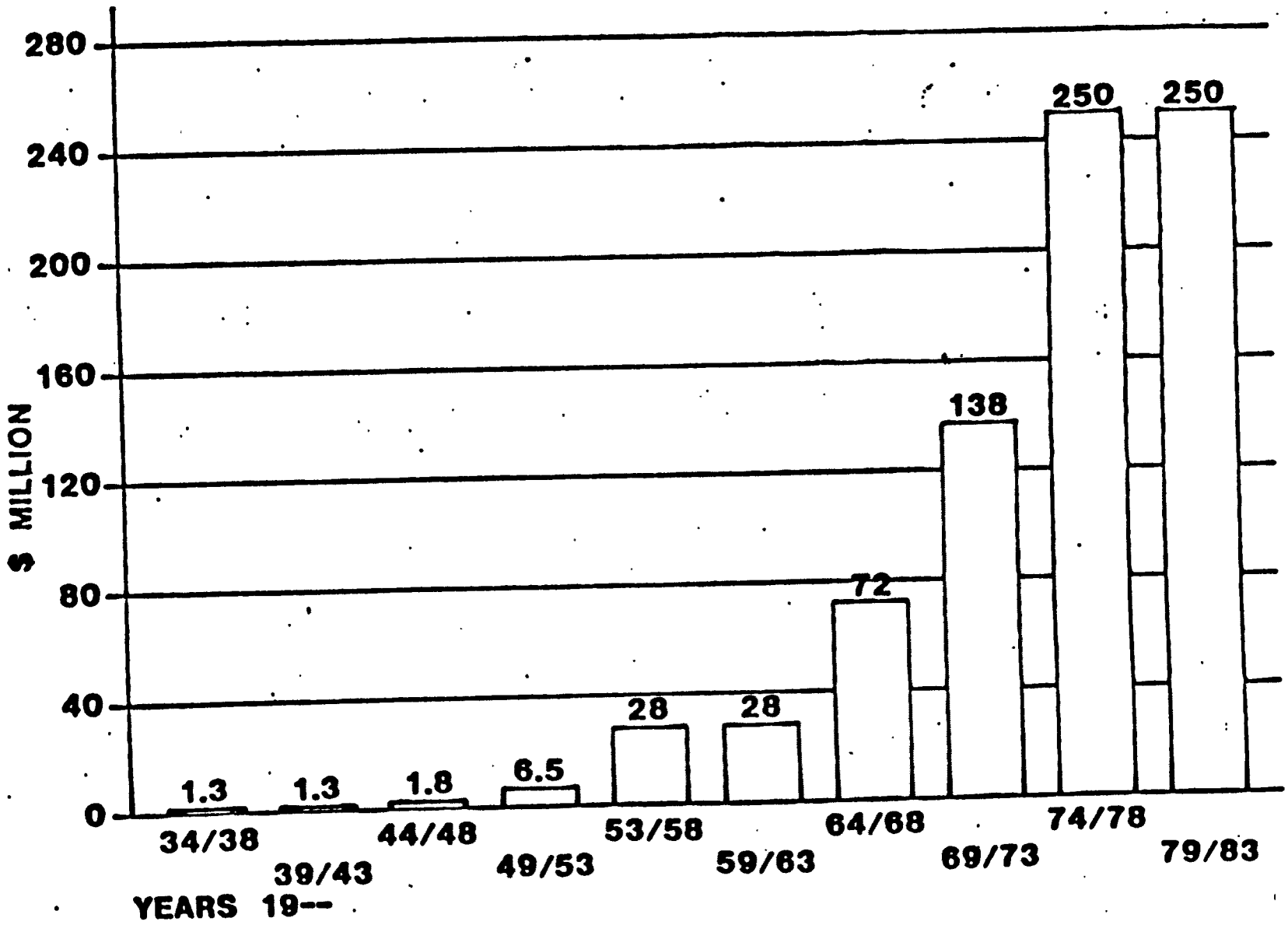
4. SAN FRANCISCO - <u>JOHNS-MANVILLE VS. THE HOME</u>

   A) FILED: MARCH 31, 1980
   B) COVERAGE: 1934 - ~~PRESENT~~ PRIMARY AND EXCESS - U.S. AND CANADA
   C) ~~$500~~ MILLION PLUS

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Aggregate Products Coverage



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INSURANCE LITIGATION

DEFINITIONS

P.D.	PROPERTY DAMAGE CAUSED BY J-M PRODUCTS - i.e. PIPE FAILURE AND CAVE-IN OCCURS.
B.I.	BODILY INJURY CAUSED BY J-M PRODUCTS - PRINCIPALLY ASBESTOS-HEALTH CASES.
MANIFESTATION THEORY	METHOD OF ALLOCATING LOSSES TO INSURANCE POLICIES BASED ON ALLOCATING ALL OF A PARTICULAR LOSS TO THE YEAR IN WHICH THE INJURY (DISEASE) MANIFESTS ITSELF (USUALLY BY DIAGNOSIS).
EXPOSURE THEORY	METHOD OF ALLOCATING LOSSES TO INSURANCE POLICIES BASED ON SPREADING THE LOSS OVER ALL YEARS IN WHICH THE INJURED PARTY WAS EXPOSED TO ASBESTOS FIBER. THEORY = EACH EXPOSURE IS AN INJURY AND EACH IS SUBJECT TO COVERAGE.

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INSURANCE LITIGATION

WHY?

1. J-M HAS HAD DISPUTES OVER COVERAGE AND POLICY INTERPRETATIONS
   - BOTH PROPERTY DAMAGE
     AND,
   - BODILY INJURY

2. THE GROWTH OF ASBESTOS HEALTH LITIGATION AND PRESSURE ON CARRIERS TO REDUCE LOSSES

3. OTHER SUITS PENDING COVERING ASBESTOS ISSUE -
   - GAF (LOS ANGELES)
   - FIBREBOARD (LOS ANGELES)
   - ARMSTRONG CORK (LOS ANGELES)
   - KEENE (WASHINGTON, D.C.)
   - CELOTEX (FLORIDA)
   - EAGLE PITCHER (BOSTON)

4. DESIRE TO AVOID MUTIPLE SUITS OVER THE SAME ISSUES IN DIFFERENT JURISDICTIONS.
   - HOOKER CHEMICAL PROBLEM

5. DESIRE TO CONTROL THE JURISDICTION IN WHICH THE MATTERS ARE CONSIDERED

6. DESIRE TO CONTROL THE CASE - BEING THE PLAINTIFF NOT THE DEFENDANT

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ISSUES IN INSURANCE LITIGATION

1. GENERAL

   A) CONCEALMENT

   B) DUTY TO DEFEND

2. BODILY INJURY AREA

   A) EXPOSURE VS. MANIFESTATION

   B) APPLICATION OF DEDUCTIBLES

3. PROPERTY DAMAGE AREA

   A) DEFINITION OF PROPERTY DAMAGE - WHEN DOES COVERAGE EXIST?

      i) RESCON

      ii) PIPE

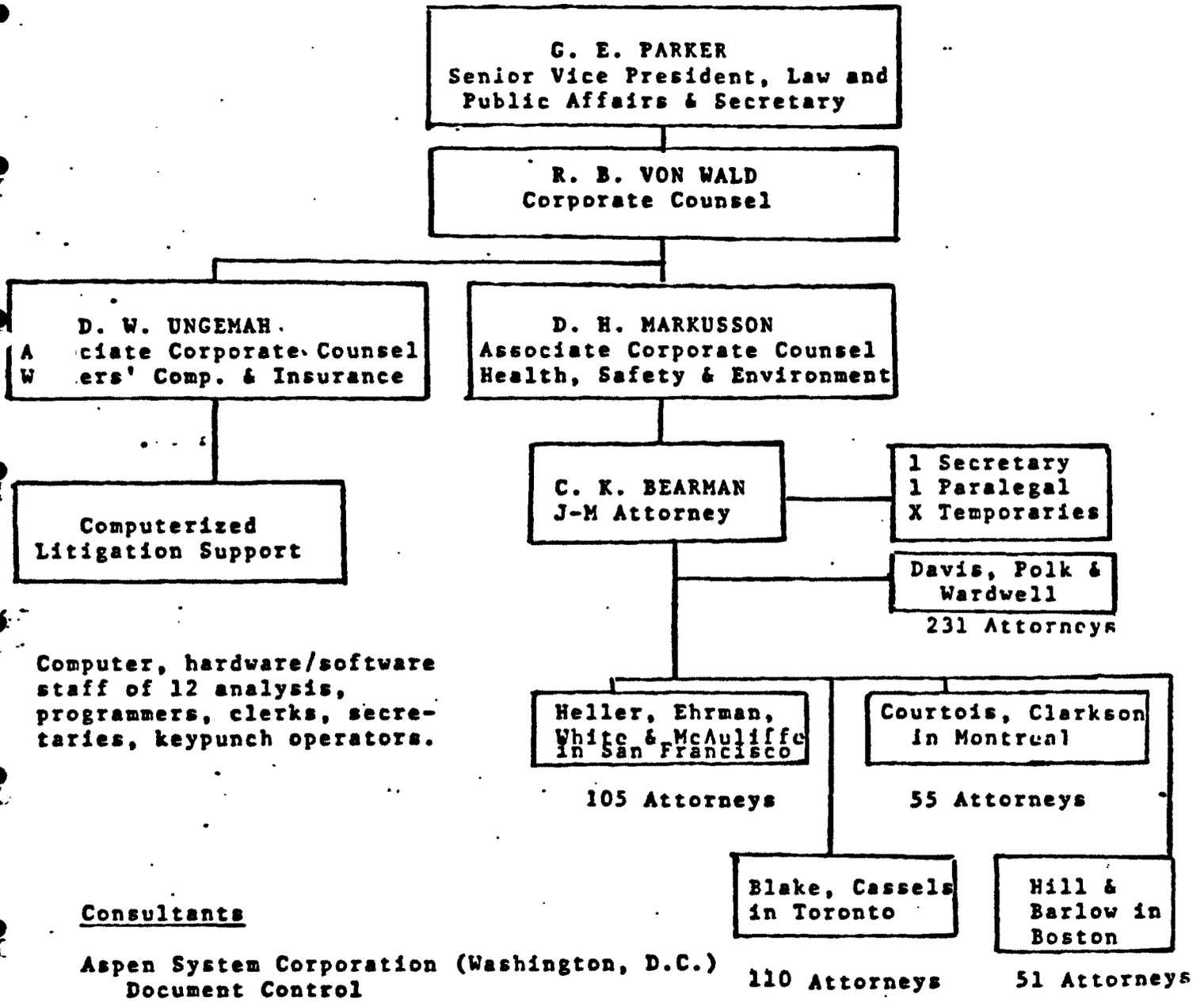
      iii) BUILT-UP ROOFING

   B) APPLICATION OF DEDUCTIBLES

   C) ALLOCATION OF LOSSES TO PROPER YEARS

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INSURANCE ORGANIZATION



Consultants

Aspen System Corporation (Washington, D.C.)
Document Control

Professional Software Corporation (Phoenix)
Interrogatory Control

Holland, Shipes & Reams (Atlanta)
Word Processing & Micrographics design

Risk Treatment Services (Denver)
Insurance Consultants

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INSURANCE LITIGATION
WHAT IF?

1. WE LOSE CONCEALMENT ISSUE:
   - A. DEPENDS ON WHEN CONCEALMENT AROSE AND HOW LONG IT LASTED (HOW LONG BEFORE INSURANCE COMPANIES KNEW).
     - CERTAINLY 1964 - ON (SELIKOFF) = KNOWLEDGE
     - THUS WORST CASE - WE LOSE 1934 - 1964
     - OR $67 MILLION COVERAGE
   - B. MOST LIKELY - NO CONCEALMENT - POSSIBILITY OF LOSING 1 - 3 YEARS OF COVERAGE

2. IF MANIFESTATION THEORY:

A. WE LOSE COVERAGE PRE-1974 =	- $276 MILLION
B. WE GAIN 1978 - 1983 COVERAGE =	+ 250 MILLION
C. TOTAL COVERAGE AVAILABLE =	$500 MILLION
LESS SELF-INSURED AMOUNTS	- 69 MILLION
	$431 MILLION

   - D. PLUS CANADA $?

3. IF EXPOSURE THEORY (ASSUME NO EXPOSURE BEYOND 1978)

A. TOTAL COVERAGE AVAILABLE =	$527 MILLION
LESS SELF-INSURED AMOUNTS	20 MILLION
	$507 MILLION

   - B. PLUS CANADA $?

4. IF WE LOSE PROPERTY DAMAGE ISSUES:
   - A. LOSE RESCON, SUPER TEMP-TITE, BUILT-UP ROOFING, ETC. - CURRENT ESTIMATE OF LOST COVERAGE = $40 MILLION
   - B. FUTURE IMPACT - UNKNOWN

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RE-NEGOTIATED PRODUCTS INSURANCE PROGRAM
$20,500,000 COVERAGE PER YEAR

POLICY YEAR	OLD PROGRAM (A)	NEW PROGRAM	SELF-INSURED LEVELS (B) (C)
7/1/80	$ 1,690,000	$ 2,357,000	12.5/3.5
7/1/81	$ 2,008,000	$ 1,911,000	13.5/3.5
7/1/82	$ 2,300,000	$ 1,880,000	15.0/3.5
	$ 5,998,000	$ 6,148,000	
		$157,200	

(A) CANCELLED BY LONDON EFFECTIVE 5/1/80.

(B) SELF-INSURED LEVEL FOR ASBESTOS-RELATED INJURY.

(C) SELF-INSURED LEVEL FOR NON-ASBESTOS-RELATED DAMAGE.

ATTEMPTING TO FILL OUT COVERAGES UP TO AT LEAST $50,000,000 PER YEAR TOTAL.

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