NATIONAL UNION RMBE 548-3314 10/1/89 - 10/1/90

N17507

NATIONAL UNION RMBE 548-3314 10/1/89-10/1/90

RELIANCE NEA 0151990 1/1/99- 1/1/02

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

GU 207
(6-78)

ENDORSEMENT 2

This endorsement, effective on 01/01/99 At 12:01 A.M. standard time, forms a part of

Policy No. NEA 0151990 of the Reliance National Indemnity Company

issued to Millennium Chemicals, Inc.

Authorized Representative

THREE YEAR POLICY PROVISION ENDORSEMENT

This endorsement sets forth the agreement between the Company and the insured in which the **Company** agrees to provide Umbrella Liability to the insured for a period of three years, commencing January 01, 1999, in accordance with the terms and conditions of the policy to which this endorsement is attached.

This coverage will be underwritten each year by the **Company.** Annual premium will be computed by applying annual sales at inception to the pre-determined annual rate for the policy term as set forth below:

The **Company** guarantees the annual premium for the January 01, 1999 to January 01, 2000 policy year provided the following conditions are met:

POLICY PERIOD	ANNUAL PREMIUM
January 01, 1999 – 2000	$95,000.
January 01, 2000 – 2001	$95,000.
January 01, 2001 - 2002	$95,000.

It is agreed the above premiums will be used subject to the following conditions:

1. No material change in the **Insured's** core operations.
2. No incurred losses which pierce the **Company's** attachment point.
3. No material change in the point of attachment or **A.M. Best** rating of **Underlying Insurance.**
4. The **Insured** does not increase its annual sales by more than 10%
5. Updated renewal information is provided annually.
6. The aggregates in the **Company's** policy will be reinstated annual where applicable for each Policy period shown above and the aggregates in all **Underlying Insurance** reinstated annually.
7. No premium audit at year end.
8. No change in reinsurance available to the company.

In the even that any of the above conditions are not met, the **Company** reserves the right to reevaluate the premiums for adequacy in light of the new exposures presented at renewal.

All other terms and conditions of this policy remain unchanged.

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Reliance

POLICY OF EXCESS INSURANCE

Prior Policy Number NEW BUSINESS

POLICY NUMBER NEA0151990

[2] Code Number of Company Providing Coverage. Each is a Stock Insurance Company, herein called the Company

Co. Code No.

1 RELIANCE INSURANCE COMPANY
Philadelphia, Pennsylvania

2 RELIANCE NATIONAL INDEMNITY COMPANY
Madison, Wisconsin

9 RELIANCE NATIONAL INSURANCE COMPANY
Wilmington, Delaware

NOTICE OF CLAIM

NOTICE SHALL BE GIVEN TO THE INSURER AT THE FOLLOWING ADDRESS:
RELIANCE NATIONAL RISK SPECIALISTS
CLAIMS DIVISION
77 WATER STREET, NEW YORK, NY 10005

Broker Name and Address

J&H MARSH & MCLENNAN
1166 AVENUE OF THE AMERICAS
NEW YORK, NY 10036-2774

DECLARATIONS

ITEM 1 NAMED INSURED (Hereinafter called the Insured): MILLENNIUM CHEMICALS, INC. (AS PER UNDERLYING)

Street Location: 230 HALF MILE ROAD

RED BANK (City) NJ (State) 07701 (Zip Code)

ITEM 2 POLICY PERIOD: 1/01/99 (Effective Date 12:01 a.m.:) 1/01/02 (Expiration Date 12:01 a.m.:)
(Standard Time at the Address of the Named Insured stated herein.)

ITEM 3 POLICY PREMIUM
Total Premium (Due at Inception): $ 285,000 Term + NEW JERSEY TAX $316.62 (See Endorsement)

ITEM 4 DESCRIPTION OF COVERAGE: EXCESS UMBRELLA LIABILITY

ITEM 5 UNDERLYING INSURANCE

(a) Underlying Policy: NATIONAL UNION

Coverage: UMBRELLA LIABILITY

Policy Period: 1/01/98 - 1/01/01 Policy No. TBA

Policy Limit: $50,000,000 EACH OCCURRENCE AND ANNUAL AGGREGATE WHERE APPLICABLE EXCESS OF UNDERLYING LIMITS.

(b) Total limits of all underlying insurance including the underlying policy in excess of which this applies:

$100,000,000 EACH OCCURRENCE AND ANNUAL AGGREGATE WHERE APPLICABLE EXCESS OF UNDERLYING LIMITS.

ITEM 6 LIMIT(S) OF THE COMPANY'S LIABILITY: $50,000,000 EACH OCCURRENCE AND ANNUAL AGGREGATE WHERE APPLICABLE EXCESS OF THE AMOUNT STATED IN ITEM 5(B) ABOVE.

ITEM 7 FORM(S) /ENDORSEMENTS: SEE SCHEDULE PAGE (GU 207)

DEC 201 RFH 1068
LP 00 R162 01 1094

Date: 2/22/99 **Countersigned By:** _____ (Authorized Representative)

Reliance

IN WITNESS WHEREOF, the Company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the company.

Reliance National Indemnity Company
HOME OFFICE - MADISON, WISCONSIN
ADMINISTRATIVE OFFICE - NEW YORK, NEW YORK
(A STOCK INSURANCE COMPANY)

Jeffrey A. Welikson
Secretary

President

NEA0151990 1/01/99

RN 00 P001 00 0593
ILBP-8301-PL Ed.11/90

QUICK REFERENCE

COMMERCIAL EXCESS POLICY

READ YOUR POLICY CAREFULLY

The Commercial Excess Policy consists of the Declarations, the Excess Liability Policy Form, and the Endorsements, if applicable. The following is a quick reference index of the principal provisions contained in each of the components which make up the policy, listed in sequential order.

DECLARATIONS

Named Insured and Mailing Address

Policy Period

Policy Premium

Description of Coverage

Underlying Insurance

Limit(s) of the Company's Liability

Forms and Endorsements Applying to the Policy at Time of Issuance

EXCESS LIABILITY POLICY FORM

I. Coverage.
   1. Insuring Agreement
   2. Coverage Extensions

II. Limits of Liability

III. Maintenance of Underlying Insurance and Unimpaired Underlying Limits of Liability

IV. Notice of Occurrence, Claim, or Suit

V. Duty to Defend

VI. Definitions

VII. Exclusions

VIII. General Conditions
   A. Legal Action Against the Company
   B. Changes
   C. Bankruptcy
   D. Cancellation

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E. Appeals

F. Transfer of Rights of Recovery and Subrogation

G. Examination and Audit

H. Other Insurance

I. Prior Insurance and Non-Cumulation of Liability

J. Loss Payable

K. Premium Computation

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EXCESS LIABILITY INSURANCE POLICY

In consideration of the payment of the premium, in reliance upon the statements in the application for this policy and/or for the **Underlying Insurance**, and subject to the Limits of Liability, exclusions, terms, conditions, other provisions of, and endorsements to this policy and/or to the **Underlying Insurance**, the **Company** agrees as follows:

I. INSURING AGREEMENT

The **Company** will indemnify the insured against **Ultimate Net Loss** which is excess of the total limits of liability paid under all **Underlying Insurance** and which arises from occurrences during the policy period as set forth in Item 2 of the Declarations.

The insurance afforded by this policy follows the insuring agreement(s) of the **Underlying Policy** and is subject to the same warranties, conditions, exclusions, terms, and definitions, except for the premium, limits of liability, renewal terms, and the duty to defend or as may otherwise may be changed by this policy.

II. LIMITS OF LIABILITY

It is expressly agreed that the **Company's** liability for loss shall attach only after the **Underlying Insurance** shall have paid the full amount of their respective limits of liability under such **Underlying Insurance**.

In the event of the exhaustion of the each occurrence limit of liability of the **Underlying Insurance** by payment by the **Underlying Insurance** of **Ultimate Net Loss** to which this policy applies, the limit of liability shown in Item 6 of the Declarations as Each Occurrence is the most the **Company** will pay as **Ultimate Net Loss** in excess of the **Underlying Insurance** resulting from any one (1) occurrence to which this policy applies regardless of:

A. the number of insureds named;

B. claims made or suits brought; or

C. persons or organizations making claims or bringing suits.

In the event of the exhaustion of the aggregate limit of liability of the **Underlying Insurance** by payment by the **Underlying Insurance** of **Ultimate Net Loss** to which this policy applies, this policy will continue in force as primary insurance subject to the limits of liability and to other terms, conditions, and exclusions of this policy.

The **Company's** total liability for **Ultimate Net Loss** resulting from all occurrences to which this policy applies is limited to the amount, if any and as applicable, stated in Item 6 of the Declarations as the Aggregate Limit of Liability.

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III. MAINTENANCE OF UNDERLYING INSURANCE AND UNIMPAIRED UNDERLYING LIMITS OF LIABILITY

It is a condition of this policy that the **Underlying Insurance** be maintained in full force and effect except for reduction of the limits of liability of the **Underlying Insurance** by payment by the **Underlying Insurance** of **Ultimate Net Loss** to which this policy applies. For purposes of determining the attachment of this policy, the limits of liability of the **Underlying Insurance** will not be reduced or exhausted by reason of any liability paid thereunder which is not covered under this policy or any endorsement hereto.

Upon request, the Insured must promptly furnish the **Company** with a copy of the policy(ies) of **Underlying Insurance** and immediately notify the **Company** in writing of any change in the **Underlying Insurance**. Any change not reported to and approved by the **Company** will not be covered by this policy.

Failure to maintain the **Underlying Insurance** in full force and effect or to comply with all the conditions contained in the **Underlying Insurance** will not invalidate this policy, but this policy will apply in the same manner as if the **Underlying Insurance** were maintained and/or compliance had taken place.

IV. NOTICE OF OCCURRENCE, CLAIM, OR SUIT

The Insured will as soon as practicable notify the **Company** of:

A. any occurrence, claim, or suit which in the Insured's or the underlying insurer's estimate of injuries or damage, without regard to liability, seems likely to involve this policy;

B. any occurrence, claim, or suit with respect to which an underlying insurer has established a loss reserve equal to or greater than fifty percent (50%) of that insurer's limit of liability; or

C. any cumulative incurred (paid and outstanding reserve) loss amounts totalling fifty percent (50%) of the underlying aggregate limit of liability where an annual aggregate limit of liability applies.

The notice will contain particulars sufficient to identify the Insured and reasonably obtainable information with respect to the date, time, place, and circumstances of the occurrence; the names and addresses of parties sustaining injury or damage; and the description of the injury or damage.

Notice will be given to:

Reliance National
77 Water Street
New York, New York 10005
Attn: Claims Division

V. DUTY TO DEFEND

The **Company** will at no time be called upon to assume the charge of the defense or settlement of any claim made or suit brought or proceeding instituted against the Insured. The **Company** will, however, have the right and will be given the opportunity to associate with the Insured and/or any underlying insurer in the control, defense,

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and/or trial of any claim , suit, or proceeding which, in the sole opinion of the **Company**, involves or appears reasonably likely to involve coverage under this policy. If the **Company** elects to so participate, the insured and any underlying insurer will fully cooperate with the **Company**.

VI. DEFINITIONS

Company means the insurer designated on the Declarations.

Claim Expense means the costs of the investigation, adjustment, appraisal, and defense of a covered claim, suit or proceeding.

Ultimate Net Loss means the total amount that the insured is legally obligated to pay as damages for a covered claim, suit or proceeding either by adjudication or a settlement to which the Company agrees in writing. **Ultimate Net Loss** includes deductions for recoveries and salvages which have been or will be paid. **Ultimate Net Loss** does not include office costs, expenses, or salaries of the insured or the **Company**.

Ultimate Net Loss also includes **Claim Expense** incurred with respect to claims covered under this policy. If, however, with respect to any covered claim, suit, or proceeding all **Underlying Insurance** and all co-insuring policies in this layer provide that **Claim Expenses** paid under their respective policies are in addition to that policy's limit of liability, it is agreed that any **Claim Expense** paid under this policy with respect to such claim, suit, or proceeding shall be in addition to this policy's limit of liability, subject to the following:

In the event that the amount of the loss sustained by the insured with respect to any claim, suit, or proceeding is in excess of the insurance afforded by the **Underlying Insurance** for such loss, the **Company** shall pay, in addition to the limits of liability applicable to such loss under this policy, a pro rata share of the **Claim Expense** sustained or incurred by the insured with respect to such claim, suit, or proceeding in the proportion that the amount of loss covered by this policy bears to the total **Ultimate Net Loss**.

Underlying Insurance means all policies of insurance and issuing insurers thereon underlying this policy, the total underlying limits of liability of which is specified in Item 5(b) of the Declarations. **Underlying Insurance** includes the **Underlying Policy**.

Underlying Policy means the policy of insurance specified in Item 5(a) of the Declarations.

VII. EXCLUSIONS

Excluded from **Ultimate Net Loss** that may be insured under this policy are any claims, suits, or proceedings for, based upon, arising from, attributable to, related to, or in any way connected with, in whole or in part, directly or indirectly:

A. any personal injury, bodily injury, or property damage arising directly or indirectly out of or in connection with the discharge, dispersal, release, escape, or seepage of oil, petroleum substances or derivatives (including any oil, refuse, or oil mixed with wastes), smoke, vapors, soot, fumes, acid, alkalis, toxic chemicals, liquids, gases, waste materials, or other irritants, contaminants, or pollutants into or upon land, the atmosphere, or any watercourse, body of water,

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bog, marsh, swamp, or wetland and including but not limited to hazardous substances in the ground water, the subsoil, or anything contained therein.

This exclusion shall also apply to any personal injury, bodily injury, or property damage arising from any loss, cost, or expense incurred in testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing pollutants in connection with anything contained in the preceding paragraph.

B. personal injury, bodily injury, or property damage arising directly or indirectly out of:

1. inhaling, ingesting, or prolonged physical exposure to asbestos or goods or products containing asbestos; or
2. the use of asbestos in constructing or manufacturing any goods, products, or structures; or
3. the removal of asbestos from any goods, products, or structures; or
4. the manufacture, transportation, storage, handling, distribution, sale, application, mining, consumption, or disposal of asbestos or goods or products containing asbestos.

C. personal injury, bodily injury, or **property damage** arising directly or indirectly:

1. with respect to which an insured under this policy is also an insured under a nuclear energy liability policy issued by the 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 such termination upon exhaustion of its limits of liability; or
2. 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 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;
3. from the **hazardous properties** of **nuclear material** if:
   a. the **nuclear material**:
      1) is at any **nuclear facility** owned or operated by or on behalf of an insured; or
      2) has been discharged or disbursed from any **nuclear facility** owned or operated by or on behalf of an insured;
   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**. If such facility is located within the United States of America, its territories or possessions, or Canada, this subparagraph 3.

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c. applies only to **property damage** to or destruction of any property at such **nuclear facility**.

The following words are defined for purposes of this exclusion C.

Property damage includes all forms of radioactive contamination of property.

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:

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 twenty-five (25) grams of plutonium or uranium 233 or any combination thereof, or more than two hundred fifty (250) grams of uranium 235.

d. any structure, basin, excavation, premise, or place prepared or used for the storage or disposal of **waste**.

e. any 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.

VIII. GENERAL CONDITIONS

A. Legal Action Against the Company

No legal action may be brought against the **Company** until there has been full compliance with all the terms of the **Underlying Policy** and of this policy. In addition, no legal action may be brought against the **Company** until it agrees in writing that the Insured has an obligation to pay or until the amount of that obligation has been finally determined by judgment after trial. No person or

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organization has any right under this policy to bring the **Company** into any action to determine the insured's liability.

B. Changes

This policy and the **Underlying Policy** contain all the agreements between the **Company** and the insured. Policy terms may not be changed except by endorsement issued by the **Company**. The **Company** will not be bound by any assignment of interest by the insured unless the **Company's** consent to the assignment is endorsed on this policy.

C. Bankruptcy

The insured's bankruptcy or insolvency will not relieve the **Company** of its obligations under this policy.

In the event of the bankruptcy, insolvency, or inability to pay of any insurer providing coverage under the **Underlying Insurance**, the insurance afforded by this policy will not replace the **Underlying Insurance**, but will continue to apply in the same manner as though the **Underlying Insurance** were available and collectible.

D. Cancellation

The insured may cancel this policy by delivering the policy to the **Company** or to any of its authorized agents, or by sending the **Company** written notice stating when in the future cancellation will take effect. The **Company** may cancel this policy by mailing written notice of cancellation to the insured first named in the Declarations. The effective date of cancellation will be at least:

1. ten (10) days after the date of mailing if the **Company** cancels for nonpayment of premium when due; or
2. thirty (30) days if the **Company** cancels for any other reason.

The **Company** will mail notice of cancellation to the insured's last known mailing address. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date. Proof of mailing will be sufficient proof of notice.

If the policy is cancelled, the **Company** will send to the insured first named in the Declarations any premium refund due. If the **Company** cancels, the refund will be pro rata. If the insured cancels, the refund may be less than pro rata. The cancellation will be effective even if the **Company** has not made or offered a refund.

E. Appeals

In the event the insured or the underlying insurer(s) elects not to appeal a judgment in excess of the total limits of liability of all **Underlying Insurance**, the **Company** may elect to do so at its own expense. In no event shall the liability of the **Company** for **Ultimate Net Loss** exceed in total the amount set forth in Item 6 of the Declarations, plus the expenses of the appeal, taxable costs, disbursements, and interest incidental to such appeal.

F. Transfer of Rights of Recovery and Subrogation

If the **Company** makes any payment under this policy, the **Company** will be subrogated to all the insured's rights and will have the right to participate with the insured and any other insurer in the exercise of all the insured's rights of recovery against any person who may be liable for the loss. The insured will not do anything to impair the **Company's** rights and will help the **Company** to enforce its rights.

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All payments or recoveries obtained after a settlement under this policy will be applied as if obtained prior to the settlement and all necessary adjustments will then be made between the insured and the **Company**.

G. Examination and Audit

The **Company** may examine and audit the Insured's books and records as they relate to this policy at any time.

H. Other Insurance

If other policies of insurance additional to those described herein as **Underlying Insurance** have been issued to the Insured and provide coverage for **Ultimate Net Loss** in whole or in part, covered by this policy, this policy will apply in excess of and not contribute on a pro rata or other basis with such other insurance. This provision, however, will not apply with respect to the policies of insurance specifically purchased as being contractually in excess of this policy and in which this policy is scheduled in writing as an **underlying policy** thereto.

I. Prior Insurance and Non-Cumulation of Liability

If any **Ultimate Net Loss** covered hereunder is also covered in whole or in part under any other excess policy issued to the Insured prior to the inception date of this policy, the limits of liability under this policy will be reduced by any amount due the Insured under such prior insurance.

J. Loss Payable

The Insured shall make claim against the **Company** for any **Ultimate Net Loss**, and **Claim Expense** if outside the limit of liability, payable under this policy within a period not exceeding ninety (90) days after (1) the Insured has paid **Ultimate Net Loss** in excess of the total limits of liability of all **underlying insurance** with respect to any occurrence or (2) the Insured's obligation to pay such amount has been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant, and the **Company**.

K. Premium Computation

Premium due for this insurance is the amount shown in Item 3 of the Declarations and is payable on the effective date of this policy. Upon termination of this policy, the earned premium will be computed according to the rates applicable to this insurance.

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0049-GLD-000055610

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

GU 207
(6-78)

ENDORSEMENT

This endorsement, effective on 1/01/99 at 12:01 A.M. standard time, forms a part of Policy No. NEA0151990 of the RELIANCE NATIONAL INDEMNITY CO

Issued to MILLENNIUM CHEMICALS, INC.

Authorized Representative

Schedule

RN00P00100	IN WITNESS PAGE
EL00P03400	QUICK REFERENCE COMMERCIAL EXCESS POLICY
EL00P05700	INSURING AGREEMENT ENDORSEMENT
EL00P13200	COMMERCIAL EXCESS LIABILITY AMENDATORY ENDORSEMENT
EL00P14100	CANCELLATION NONRENEWAL AMENDATORY ENDORSEMENT
GU207	POLLUTION EXCLUSION
GU207	THREE YEAR POLICY PROVISION ENDORSEMENT
EL00P07400	SECURITIES EXCLUSION ENDORSEMENT

GLD055611
0049-GLD-000055611

This endorsement effective on 1/01/99
at 12:01 A.M. standard time
Forms part of Policy Number: NEA0151990
Issued to: MILLENNIUM CHEMICALS, INC.
By: RELIANCE NATIONAL INDEMNITY CO

COMMERCIAL EXCESS LIABILITY

INSURING AGREEMENT ENDORSEMENT

In consideration of the premium paid, it is hereby understood and agreed that Section I., **INSURING AGREEMENT**, is deleted and replaced as follows:

I. **INSURING AGREEMENT**

The Company shall pay on behalf of the insured all **Ultimate Net Loss** which is excess of the total limits of liability paid under all **Underlying Insurance** arising from occurrences during the period of this policy.

The insurance afforded by this policy follows the insuring agreement(s) in the **Underlying Insurance** and is subject to the same warranties, conditions, exclusions, terms, and definitions except as to premium, the limits of liability, renewal, the duty to defend, or as may otherwise be changed by this policy.

All other terms and conditions of this policy remain unchanged.

N/A

Authorized Representative

EL00 P057 00 1094

This endorsement effective on
at 12:01 A.M. standard time 1/01/99

Forms part of Policy Number: NEA0151990

Issued to: MILLENNIUM CHEMICALS, INC.

By: RELIANCE NATIONAL INDEMNITY CO

COMMERCIAL EXCESS LIABILITY

AMENDATORY ENDORSEMENT

In consideration of the premium paid, it is understood and agreed that Section II., LIMITS OF LIABILITY and Section III., MAINTENANCE OF UNDERLYING INSURANCE AND UNIMPAIRED UNDERLYING LIMITS OF LIABILITY, is deleted and replaced as follows:

II. LIMITS OF LIABILITY

It is expressly agreed that the **Company's** liability for loss shall attach only after the **Underlying Insurance** shall have paid the full amount of their respective limits of liability under such **Underlying Insurance.**

In the event of the exhaustion of the each occurrence limit of liability of the **Underlying Insurance** by payment by the **Underlying Insurance,** the limit of liability shown in Item 6 of the Declarations as Each Occurrence is the most the **Company** will pay as **Ultimate Net Loss** in excess of the **Underlying Insurance** resulting from any one (1) occurrence to which this policy applies regardless of:

A. the number of insureds named;

B. claims made or suits brought; or

C. persons or organizations making claims or bringing suits.

In the event of the exhaustion of the aggregate limit of liability of the **Underlying Insurance** by payment by the **Underlying Insurance,** this policy will continue in force as primary insurance subject to the limits of liability and to other terms, conditions, and exclusions of this policy.

The **Company's** total liability for **Ultimate Net Loss** resulting from all occurrences to which this policy applies is limited to the amount, if any and as applicable, stated in Item 6 of the Declarations as the Aggregate Limit of Liability.

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III. MAINTENANCE OF UNDERLYING INSURANCE

It is a condition of this policy that the **Underlying Insurance** be maintained in full force and effect except for reduction of the limits of liability of the **Underlying Insurance** by payment by the **Underlying Insurance.**

Upon request, the insured must promptly furnish the **Company** with a copy of the policy(ies) of **Underlying Insurance** and immediately notify the **Company** in writing of any change in the **Underlying Insurance.** Any change not reported to and approved by the **Company** will not be covered by this policy.

Failure to maintain the **Underlying Insurance** in full force and effect or to comply with all the conditions contained in the **Underlying Insurance** will not invalidate this policy, but this policy will apply in the same manner as if the **Underlying Insurance** were maintained and/or compliance had taken place.

All other terms and conditions of this policy remain unchanged.

GLD055614
0049-GLD-000055614

This endorsement effective on
at 12:01 A.M. standard time 1/01/99

forms part of Policy Number: NEA0151990

Issued to: MILLENNIUM CHEMICALS, INC.

By: RELIANCE NATIONAL INDEMNITY CO

COMMERCIAL EXCESS LIABILITY POLICY

CANCELLATION AND NON-RENEWAL AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the Commercial Excess Liability Policy.

For any statutorily permitted reason, the number of days required for notice of cancellation or notice of non-renewal, as provided in Section VIII. General Condition D, or as amended by any applicable state endorsement, is increased to the number of days shown in the Schedule below.

Any of these provisions that conflict with a law that controls the cancellation or non-renewal of the insurance in this policy is changed by this statement to comply with the law.

SCHEDULE

Number of Days Notice For Cancellation 60 DAYS

Number of Days Notice For Non-Renewal 60 DAYS

EL 00 P141 00 0397

This endorsement effective on 1/01/99
at 12:01 A.M. standard time
Forms part of Policy Number: NEA0151990
Issued to: MILLENNIUM CHEMICALS, INC.
By: RELIANCE NATIONAL INDEMNITY CO

COMMERCIAL EXCESS LIABILITY

SECURITIES
EXCLUSION ENDORSEMENT

Excluded from **Ultimate Net Loss** that may be insured under this policy are any claims, suits, or proceedings for, based upon, arising from, attributable to, related to, or in any way connected with, in whole or in part, directly or indirectly:

1. any actual or alleged violation of the Securities Act of 1933 as amended, or the Securities Exchange Act of 1934 as amended, or any state blue sky or Canadian securities law.
2. any similar state blue sky, federal or Canadian statutes regulating securities similar to the foregoing, or as they may be amended, any rules or regulations adopted pursuant thereto, or any other state blue sky or Canadian laws or common laws relating to securities.

N/A
Insured's Signature

All other terms and conditions of this policy remain unchanged.

EL00 P074 00 1094

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

GU 207
(6-78)

ENDORSEMENT 1

This endorsement, effective on **01/01/99** At 12:01 A.M. standard time, forms a part of

Policy No. **NEA 0151990** of the **Reliance National Indemnity Company**

Issued to **Millennium Chemicals, Inc.**

Authorized Representative

POLLUTION EXCLUSION WITH EXCEPTION FOR TIME ELEMENT ENDORSEMENT

In consideration of the premium paid, it is understood and agreed that **Section VII., EXCLUSIONS,** subsection A., is deleted and replaced as follows:

(A) I (1) Any personal injury, bodily injury or property damage arising out of the actual, alleged or threatened discharge, dispersal or escape of **Pollutants:**

a) or from premises the insured currently own, rent or occupy or that the insured formerly owned, rented or occupied;

b) at or from any site or location used by or for the insured or others for the handling, storage, disposal, processing or treatment of waste material;

c) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the insured or any person or organization for whom the insured may be legally responsible; or

d) at or from any site or location on which the insured or any contractors or subcontractors working directly or indirectly on the insureds behalf are performing operations:

(i) to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **Pollutants**, or

(ii) if the **Pollutants** are brought on or to the site or location by or for insured.

All other terms and conditions of this policy remain unchanged.

GLD055617
0049-GLD-000055617

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

GU 207
(6-78)

ENDORSEMENT 1

This endorsement, effective on **01/01/99** At 12:01 A.M. standard time, forms a part of

Policy No. **NEA 0151990** of the **Reliance National Indemnity Company**

Issued to **Millennium Chemicals, Inc.**

Authorized Representative

2) Any loss, cost, or expense arising out of any governmental directive, order or request that the insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants are defined as any solid, liquid gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

(II) Provided however, that this exclusion above does not apply to:

1. Discharge, dispersal release or escape directly or indirectly caused by fire, explosion, lightning, windstorm, vandalism or malicious mischief, riot and civil commotion, collision or upset or overturn of a motor vehicle, mobile equipment or aircraft, automatic sprinkler leakage; or

2. Personal injury or Property Damage which is within the Product Hazard or the Completed Operations hazard.

(III) This exclusion will also not apply if said discharge, dispersal, release or escape of **Pollutants** was not a result of a named peril occurrence as defined in Part II above and meets all of the following conditions.

a) it was accidental and neither expected or intended by the named insured. This condition would not serve to deny coverage for a specific incident where such discharge, dispersal or release was a result of an attempt by the insured to mitigate or avoid a situation where substantial third party personal injury or property damage could occur.

b) it was demonstrable as having commenced on a specific date during the term of the policy.

c) its commencement became known to the insured within twenty calendar days, and was further reported to the Risk Management Department within a reasonable time frame.

d) its commencement was reported in writing to the **Company** within 80 calendar days of becoming known to the Risk Management Department.

All other terms and conditions of this policy remain unchanged.

GLD055618
0049-GLD-000055618

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

GU 207
(6-78)

ENDORSEMENT 1

This endorsement, effective on **01/01/99** At 12:01 A.M. standard time, forms a part of

Policy No. **NEA 0151990** of the **Reliance National Indemnity Company**

Issued to **Millennium Chemicals, Inc.**

Authorized Representative

e) reasonable effort was expended by the named insured to terminated the situation as soon as conditions permitted.

Nothing contained in Part III of this endorsement shall operate to provide any coverage with respect to:

1. any site or location used by the insured, or by others on the insured's behalf, principally for handling, storage, disposal, dumping, processing or treatment of waste material.
2. any fines or penalties.
3. any clean up costs ordered by the Superfund Program or any federal, state or local governmental authority. However, this specific exclusion (3) shall not serve to deny coverage for third party clean up costs otherwise covered by this endorsement simply because of the involvement of a governmental authority.
4. earthquake or flood.
5. acid rain
6. clean up, removal, containment, treatment, detoxification or neutralization of pollutants situated on premises the insured owns, rents or occupies at the time of the actual discharge, dispersal, seepage, migration, release or escape of said pollutants.
7. water pollution caused by oil or its derivative.

All other terms and conditions of this policy remain unchanged.

GLD055619
0049-GLD-000055619

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

GU 207
(6-78)

ENDORSEMENT 1

This endorsement, effective on **01/01/99** At 12:01 A.M. standard time, forms a part of

Policy No. **NEA 0151990** of the **Reliance National Indemnity Company**

Issued to **Millennium Chemicals, Inc.**

Authorized Representative

IV. in the event of a disagreement as to the interpretation of this endorsement, the disagreement shall be submitted to binding arbitration before a panel of three (3) arbitrators. Within 30 days of a written request for arbitration by either the insured or the **Company**, each party will choose an arbitrator. If the two arbitrators are unable to agree within on month upon the third arbitrator, such arbitrator shall at the request of either party be selected by the American Arbitration Association in accordance with its rules and procedures.

The parties shall submit their cases to the panel by written and oral evidence at a hearing time and place selected by the third arbitrator. The panel shall not be obligated to adhere to the strict rules of law or of evidence, shall seek to enforce the intent of the parties hereto and may refer to, but are not limited to relevant legal principles. The decision of at least two (2) of the three (3) panel members shall be binding and final and not subject to appeal except for grounds of fraud and gross misconduct by the arbitrators. The award will be issued within 30 days of the close of the hearings. Each party shall bear the expenses of its designated arbitrator and shall jointly and equally share with the other the expense of the third arbitrator and of the arbitration.

V. Any extension of coverage provided by this endorsement shall not apply except insofar as such coverage is available to the insured in all **Underlying Insurance** for the full limits of liability of such **Underlying Insurance**, and then only for the hazards for which coverage provided therein is identical to or broader than the coverage provided by this endorsement.

All other terms and conditions of this policy remain unchanged.

GLD055620
0049-GLD-000055620