GERLING 62/901203D, 460/013103/01
10/1/97 - 12/31/97

N21405

UMBRELLA LIAB
MILLENNIUM
62/901203D, 460/

Bowring Marsh & McLennan Limited
The Bowring Building
Tower Place
London
EC3P 3BE
United Kingdom
Telephone 0171 357 1000

BOWRING

BINDER

CONFIRMATION

Mr. Donald L. Schoenewolf
Director of Risk Management
Millennium Chemicals Inc.
99 Wood Avenue. South,
Iselin, New Jersey 08830
U.S.A.

Date October 1, 1997

Page 1 of 2

No. 000004

Insured Millennium Chemicals Inc. & Millennium America Inc. and all Subsidiary and/or Associated Companies.

Insured by
Gerling Konzern
General Insurance Company
50 Fenchurch Street
London
EC3M 3JY
United Kingdom

Amount	Rate of Premium	Effective	Expiring
		10/1/96	10/1/97

Effective 10/1/97 coverage is extended to 11.59 pm on 12/31/97.

Accepted by Clare Murphy

Date 2/10/97

Policy Number 6Q/9012031D

Coverage : Legal liability of the Insured more fully defined in the policy policy wording arising in connection with the business

Limit of Liability :
$25,000,000 any one accident, but US$31,250,000 in the aggregate for Products Liability
in excess of
$75,000,000 any one accident, but US$93,750,000 in the aggregate for Products Liability
in excess of
underlying primary policy limits

Conditions : As per the policy including but not limited to :
1) In respect of USA/Canada cover will include :

a) Legal costs included in the limit
b) Time element pollution exclusion
- wording as agreed
c) Asbestos exclusion

2) In respect of the United Kingdom/Rest of World Operations following the terms and conditions of the primary policy issued by Eagle Star.

Cover will be subject to NMA 1685 (Sudden and Accidental pollution limitation)

We have signed binder effecting the foregoing. Please notify the undersigned immediately of changes, if any, you wish to make in the above arrangements; otherwise, completing documents or premium statement will be prepared and sent to you.

By : Declan Durkan	Unit : Programme Design & Marketing Team

Bowring Marsh & McLennan Limited
The Bowring Building
Tower Place
London
EC3P 3BE
United Kingdom
Telephone 0171 357 1000

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CONFIRMATION

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Director of Risk Management
Millennium Chemicals Inc.
99 Wood Avenue, South,
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Date October 1, 1997

No. 000004

Insured Millennium Chemicals Inc. & Millennium America Inc. and all Subsidiary and/or Associated Companies.

	Amount	Rate of Premium	Effective	Expiring
			10/1/96	10/1/97

Insured by Gerling Konzern
General Insurance Company
50 Fenchurch Street
London
EC3M 3JY
United Kingdom

3) Cover worldwide will include/be subject to the following :
a) Full contractual liability
b) Cross liabilities
c) Advertising Liability
d) Property damage definition to include loss of use of tangible property
e) Tobacco health risk exclusion
f) Policy silent in respect of punitive and exemplary damages
g) Aircraft products and grounding exclusion
h) Wrongful termination and discrimination exclusion
i) Marine liabilities exclusion
j) Policy is silent in respect of subsidence
k) Excluding financial loss arising from Products Hazard

Accepted by Martin [illegible] CLAIRE MURPHY

GERLING KONZERN GEN[illegible] U.K. BR[illegible]

Date 2/10/97

Policy Number 62/901203/D.

Geographical Limits : Worldwide

Additional Premium : $12,350

Co-insurers :

Gerling Konzern	20.00%
Royal Global	20.00%
Zurich	15.00%
Frankona	8.00%
UAP	8.00%
Commercial Union	8.00%
AXA Global	20.00%
Sampo	15.00%
Total	114.00%

Subject to all terms, exceptions and conditions of the policy

We have signed binder effecting the foregoing. Please notify the undersigned immediately of changes, if any, you wish to make in the above arrangements; otherwise, completing documents or premium statement will be prepared and sent to you.

By : Declan Durkan **Unit :** Programme Design & Marketing Team

GERLING - KONZERN
GENERAL INSURANCE COMPANY
UK BRANCH

Manager:

Gerling Insurance
Service Company Ltd

50 Fenchurch Street
London EC3M 3JY
Tel: 0171 696 8099
Fax:0171 696 8119

EXCESS UMBRELLA LIABILITY INSURANCE

The Gerling Konzern General Insurance Company UK Branch (hereinafter called "the Company") in consideration of the payment of premium by the Insured and subject to all terms and any Memoranda endorsed hereon will indemnify the Insured as provided herein

The Company hereby agrees subject to the terms hereinafter mentioned to indemnify the Insured for all sums which the Insured shall be legally obligated to pay as damages on account of:

i) personal injuries

ii) property damage

iii) advertising liability

occurring during the Period of Insurance in connection with the Business all as more fully described in the Primary Umbrella Policy stated in Item 2 of the Schedule and issued by the Insurers as specified thereunder (hereinafter called the "Primary Umbrella Insurers")

PROVIDED ALWAYS THAT no liability shall attach to the Company hereunder unless and until the Primary and/or Underlying Excess Umbrella Insurers have paid or have been held liable to pay the full amount of their respective ultimate net loss liability as stated in Items 3 and 4 of the Schedule and the Company shall then be liable to pay only the excess thereof up to but not exceeding the amounts stated in Items 5 and 6 of the Schedule

Date 24 October 1997

Signed
For and on behalf of the
Gerling Konzern General Insurance Company - UK Branch

Important Notice to the Insured
Please read this policy carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions.
The Company should be contacted immediately if any correction is necessary

SCHEDULE

Policy No:	62/901203/D
Item 1 The Insured:	Millennium Chemicals Inc and Millennium America Inc and all Subsidiary and Associated Companies
Address:	99 Wood Avenue South Iselin New Jersey 08830 USA
The Business:	As stated in the Primary Umbrella Policy
Broker:	Bowring Marsh & McLennan Ltd
Item 2 a) Primary Umbrella Policy:	62/901152/D
b) Primary Umbrella Insurers:	Gerling Konzern General Insurance Company - UK Branch
Item 3 Primary and Underlying Excess Umbrella Limits:	US$75,000,000 any one occurrence
Item 4 Primary and Underlying Excess Umbrella Aggregate Limits:	US$75,000,000 for any one Period of Insurance in respect of liability arising from the Products Hazard and Completed Operations Hazard and any other aggregate limit contained in the Primary or any Underlying Excess Umbrella Policy
Item 5 Limits of Liability:	US$25,000,000 any one occurrence
Item 6 Aggregate Limit of Liability:	US$25,000,000 for any one Period of Insurance in respect of liability arising from the Products Hazard and Completed Operations Hazard and any other aggregate limit contained in the Primary or any Underlying Excess Umbrella Policy
Item 7 Period of Insurance (a)	From: 1st October 1996) both days To: 30th September 1997) inclusive
(b)	any subsequent period for which the Company shall have agreed to renew this Policy
Item 8 First Premium:	US$25,927.41 part of US$49,600.00
Renewal Premium:	To be agreed
Percentage applicable to Condition No 10	52.273
Memoranda applicable at inception:	1

Examined: MN

CONDITIONS

1 ULTIMATE NET LOSS LIABILITY

The term "ultimate net loss" shall be understood to mean the sum actually paid in cash in the settlement of losses for which the Insured are liable after making proper deductions for all recoveries salvages and other insurances (other than the Primary and/or Underlying Excess Umbrella Insurance) whether recovered or not and shall exclude all costs and expenses unless stated to be included in the Primary Umbrella Policy

2 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 issued to the Insured prior to the inception date hereof the limit of liability hereon as stated in Items 5 and 6 of the Schedule shall be reduced by any amounts due to the Insured on account of such loss under such prior insurance

3 MAINTENANCE OF UNDERLYING UMBRELLA INSURANCE

This Policy is subject to the same terms (except as regards the premium the amount and limits of liability and except as otherwise provided herein) as are contained in or as may be added to the Primary Umbrella Policy stated in Item 2 of the Schedule prior to the happening of an occurrence for which claim is made hereunder Should however any alteration be made in the premium for the Primary Umbrella Policy during the currency of this Policy the Company reserves the right to adjust the premium hereon accordingly

It is a condition of this Policy that the Primary Umbrella Policy shall be maintained in full effect during the Policy Period without reduction of coverage or limit except for any reduction of the aggregate limits contained therein solely by payment of claims in respect of accidents and/or occurrences during the period of this Policy

4 ADJUSTMENT

If the premium has been calculated on estimates supplied by the Insured the Insured shall as soon as practicable after expiry of each Period of Insurance supply the Company with particulars necessary for assessment of premium and should these particulars differ from the estimates upon which premium has been paid the difference in premium shall be met by a further proportionate payment or refund as the case may be subject to any minimum premium hereon

5 NOTICE OF OCCURRENCE

Whenever the Insured has information from which the Insured may reasonably conclude that an occurrence covered hereunder involves injuries or damages which in the event that the Insured should be held liable is likely to involve this Policy notice shall be sent to the Company as soon as is practicable provided however that failure to give notice of any occurrence which at the time of its happening did not appear to involve this Policy but which at a later date would appear to give rise to claims hereunder shall not prejudice such claims

6 **STEPDOWN**

In the event of the reduction or exhaustion of any aggregate limit contained in the Primary and/or Underlying Excess Umbrella Insurance by reason of claims paid thereunder this Policy subject to its terms shall in respect of the affected coverage operate directly in excess of the reduced excess any one loss limit and in respect of exhaustion of such limit shall continue in force and operate as the Primary Insurance

7 **COSTS**

If the Insurers of the Primary Umbrella Policy and any Underlying Excess Umbrella Insurance have invoked a right to pay the Limit of Liability thereunder and only be liable for costs and expenses for which they are responsible up to the time of such payment then the Company shall be liable for any further costs and expenses for which they may agree to provide indemnity with their written consent

8 **CANCELLATION**

This Policy may be cancelled by the Insured or by the Company or their representatives by sending by registered mail notice to the other party stating when, not less than thirty (30) days thereafter. cancellation shall be effective The mailing of notice as aforesaid by the Company or their representatives to the Insureds last known address shall be sufficient proof of notice and the insurance under this Policy shall end on the effective date and hour of cancellation stated in the notice Delivery of such written notice either by the Insured or by the Company or their representatives shall be equivalent to mailing

If this Policy shall be cancelled by the Insured the Company shall retain the customary short rate proportion of the premium for the period this Policy has been in force If this Policy shall be cancelled by the Company the Company shall retain the pro rata proportion of the premium for the period the Policy has been in force Notice of cancellation by the Company shall be effective even though the Company makes no payment or tender of return premium with such notice

9 **OTHER INSURANCE**

If other valid and collectable insurance with any other insurer is available to the Insured covering a loss also covered by this Policy other than insurance that is specifically stated to be excess of this Policy the insurance afforded by this Policy shall be in excess of and shall not contribute with such other insurance Nothing herein shall be construed to make this Policy subject to the terms of such other insurance

10 **PROPORTION**

The liability of the Company under this Policy is limited to the percentage specified in the Schedule of

(i) the Limits specified in Items 5 and 6 of the Schedule and

(ii) associated costs as more fully defined herein

Memoranda attaching to and forming part of Policy No 62/901203/D in the name of Millennium Chemicals Inc and Millennium America Inc and all Subsidiary and Associated Companies

1 **INSURERS**

Any reference in this Policy to the "Gerling Konzern General Insurance Co - UK Branch" or to "the Company" shall be deemed to refer to the undermentioned Insurers for their respective rights interests and liabilities each for its own proportion of the risk as shown and not one for another

The Leading Office has been duly authorised by such Insurers to sign this Policy on their behalf

Insurers	Proportion	Reference
Gerling Konzern General Ins Co - UK Branch (Leading Office)	18.182%	62/901203/D
Commercial Union Assurance plc	7.273%	10T9254961901
Zurich International (UK) Ltd	13.636%	16/509 67815
Sampo Industrial Insurance NV	13.636%	301075196
	52.727%	

Subject otherwise to the terms Exceptions and Conditions of the Policy

Date 24 October 1997

Signed
For and on behalf of the
Gerling Konzern General Insurance Company - UK Branch

Memorandum No 2 attaching to and forming part of Policy No 62/901203/D in the name of Millennium Chemicals Inc and Others

It is agreed that

(i) as from the 12th October 1996 Endicott Johnson Retail Corporation along with its related entities having been sold by the Insured is no longer a Subsidiary Company of the Insured

(ii) the Period of Insurance is extended to expire at 23.59 hours on the 31st December 1997 to become renewable at 23.59 hours on the 31st December 1997 and annually thereafter in consideration of which there is an additional premium of US$6,455.72 part of US$12,350.00 due to the Company

(iii) during the Period from the 1st October 1996 to 23.59 hours on the 31st December 1997

(a) the amount of US$25,000,000 contained in Item 6 of the Schedule is increased to US$31,250,000

(b) the amount of US$75,000,000 contained in Item 4 of the Schedule is increased to US$93,750,000

Subject otherwise to the terms exceptions and conditions of the Policy

Date: 24 October 1997

Exmd: MW

Signed
For and on behalf of
Gerling Konzern General Insurance Company -UK Branch

GLD052862
0049-GLD-000052862

LIRMA POLICY

In Consideration of the Insured named in the Schedule hereto having paid the premium stated in the said Schedule to the Insurers named herein who have hereunto subscribed their names ("the Insurers")

The Insurers hereby severally agree each for the proportion set against its own name to indemnify the Insured or the Insured's Executors and Administrators against loss, damage or liability to the extent and in the manner set forth herein. Provided that the aggregate liability of the Insurers shall not exceed the Sum Insured or other limits as are set forth in the Schedule.

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claims hereunder shall be forfeited.

In witness whereof the Director of Policy Signing Services of LONDON INSURANCE AND REINSURANCE MARKET ASSOCIATION ("LIRMA") has subscribed his name on behalf of each of the LIRMA Companies and (where the Companies Collective Signing Agreement ("CCSA") is being implemented) on behalf of the Leading CCSA Company which is a LIRMA member and authorised to sign this Policy (either itself or by delegation to LIRMA) on behalf of all the other CCSA Companies.

Signed: ......Marie-Louise Rossi......
Director of Policy Signing Services

Date as in the Schedule.

LIRMA
PFB

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GLD052863

0049-GLD-000052863

Date 10th December 1997
Policy No 460/013103/01.

The Schedule

The Insured	Millennium Chemicals Incorporated and Millennium America Incorporated and all Subsidiaries and/or Associated Companies
Premium	US$23,447.41 part of US$49,600.00 in full
Sum Insured	HEREON: 47.273% part of 100% of the following limits US$25,000,000 any one occurrence, but in the aggregate in respect of products liability In excess of underlying policies
The Interest Insured	To indemnify the Insured for all sums which the Insured shall become legally liable to pay as damages or compensation consequent upon: Personal Injury Property Damage Advertising Injury arising out of an occurrence during the period in connection with the business
Insured Perils	Umbrella Liability

Period of Insurance

From 1st October 1996 To 1st October 1997
both days inclusive and for such further period or periods as may be mutually agreed.

LIRMA
PFB

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COINSURANCE CLAUSE

It is warranted that this Policy shall run concurrently with and be subject to the same terms, provisions, and limitations as are contained in Policy No. 62/901203/D issued by Gerling-Konzern General Insurance Company UK Branch covering the identical subject matter and risk.

SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

LSW 1001 (Insurance)

No 460/013103/01......................

LIRMA POLICY

Name Millennium Chemicals Incorporated and Millennium America Incorporated
and all Subsidiaries and/or Associated Companies

Expiry Date 1st October 1997.........

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