CNA CXJ 167042182 1/1/98 - 1/1/99

N17504

[redacted]

UMBRELLA LIABILITY 1/1/99
MILLENNIUM CNA
CXU 1 6704 21 82

CNA E & S

180 Maiden Lane, New York, NY 10038

Robert S. Pecci
Managing Underwriter
CNA E & S
Direct: 212-440-3238
Facsimile: 212-440-3601

VIA FACSIMILE (212) 345+3697

EXCESS UMBRELLA
BINDER CONFIRMATION (Revised 12/22/97)

TO: Ms. Nilda Janacek Marsh & McLennan Global Broking 1166 Avenue of the Americas New York, NY 10036	DATE: December 16, 1997
INSURED: Millennium Chemicals	EFFECTIVE DATE: 1/1/98-99
RENEWAL OF POLICY NO.:	New Business

Dear Nilda:

We are pleased to confirm our Excess Umbrella Liability Binder as follows:

CARRIER:	Transcontinental Insurance Company (Admitted)
ASSIGNED POLICY NO.:	CXU 1 6704 21 82
LIMITS OF LIABILITY:	$25,000,000 p/o $50,000,000 Occ/Agg where applicable excess of Underlying Limits of $150,000,000 Occ/$150,000,000 Gen Agg/$150,000,000 Prod-Compl Ops Agg excess of Primary Policies or Self Insured Retention
ANNUAL PREMIUM:	$31,250 FLAT

SUBJECT TO THE FOLLOWING ENDORSEMENTS/CONDITIONS:

EXCLUSIONS:	Nuclear, Asbestos, Directors & Officers Liability, Discrimination, ERISA, Named Peril & Time Element Pollution (Following AIG version as per prior correspondence), Specified Entity Exclusion (NEWCO Joint Venture), Employment Related Practices
ATTACH:	Sunrise Endorsement (back to 4/30/86), Defense in Addition to Limits, Applicable State Amendatory Endorsements

* 50/50 Quota Share with Hartford

UNDERLYING PROGRAM:

Lead Umbrella: (National Union)	$50,000,000 Occ./$50,000,000 Gen Agg/$50,000,000 Prod-Compl Ops. Agg excess of Primary Policies or Self Insured Retention
First Layer: (Winterthur)	$50,000,000 excess of $50,000,000 excess of Primary
Second Layer: (TIG)	$50,000,000 excess of $100,000,000 excess of Primary

This Binder is valid pending issuance of our Policy and is subject to no material change in the risk to be insured by the Company. If there is a material change in the risk to be insured, which the Company has not specifically accepted upon notice, our binder is rescinded.

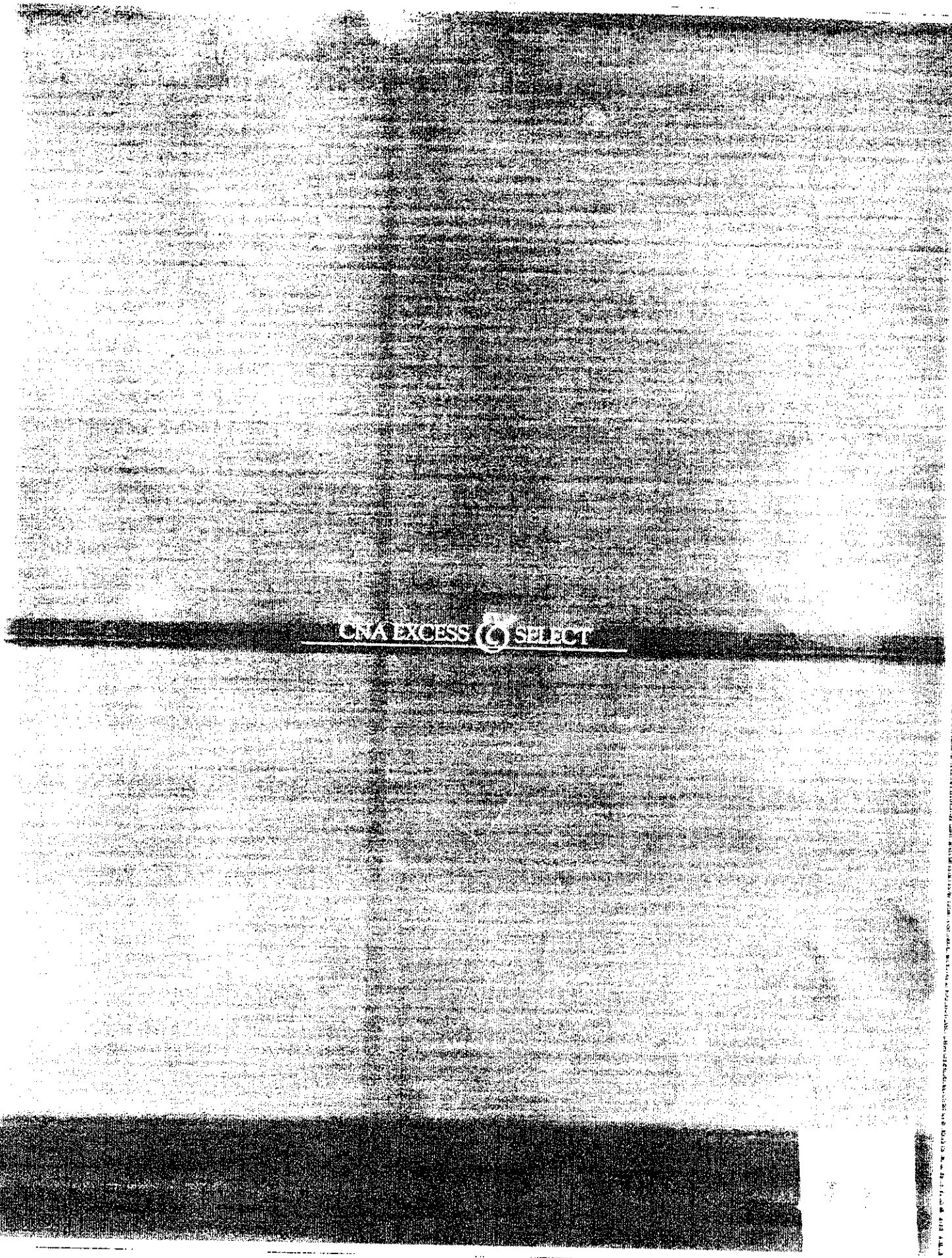
Please note that payment in full is due within forty five (45) days of the effective date of the policy. The insured's name and policy number should be clearly stated. Mail payments to:

CNA Insurance Companies
P. O. Box 74714
Chicago, IL 60694-4714

Thank you for allowing us the opportunity to participate on this program for your valued client. Feel free to call if you have any questions.

Very truly yours,

Robert S. Pecci
Managing Underwriter
Excess Casualty


CNA EXCESS SELECT

EXCESS THIRD PARTY LIABILITY POLICY
DECLARATIONS

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CNA Insurance Companies
CNA Plaza
Chicago, IL 60685

Transcontinental Insurance Company
(A stock insurance company, herein called the company)

Item 1.

PRODUCER NO.	BRANCH	PREFIX	POLICY NUMBER
976874	975	CXU	167042182

NAMED INSURED & ADDRESS: (Number & Street, Town, County, State)

Millennium Chemicals, Inc.
99 Wood Avenue South
P.O. Box 7050
Iselin, New Jersey 08830

AGENT: Marsh & McLennan Global Broking

2. Policy Period: (hereinafter called "this policy period")

January 1, 1998 to: January 1, 1999

12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE INSURED AS STATED HEREIN.

NEW ☒ RENEWAL OF:

REPLACEMENT: OF: ISSUED:

3. Schedule of Underlying Insurance: Name of Underlying Insurer and Policy Number:

4. Limit of Liability. The limit of Our Liability is shown under Our Limit and is In Excess of Your Underlying Limit.

COVERAGE	OUR LIMIT	YOUR UNDERLYING LIMIT	TOTAL LIMIT	BASIS
AUTOMOBILE LIABILITY				
A. Bodily Injury	$ $	$ $	$ $ $	Each Person Each Accident Each Occurrence
B. Property Damage	$	$	$	Each Occurrence
C. Combined Single Limit Bodily Injury and Property Damage	$	$	$	Each Occurrence
LIABILITY OTHER THAN AUTOMOBILE				
D. Bodily Injury	$ $ $	$ $ $	$ $ $	Each Person Each Occurrence Aggregate
E. Property Damage	$ $	$ $	$ $	Each Occurrence Aggregate
F. Combined Single Limit Bodily Injury and Property Damage	$ $	$ $	$ $	Each Occurrence Aggregate
See Endorsement #2	$	$	$ $	Each Occurrence Aggregate

5. Premium Computation — Endorsements attached include: See End't # 1 (Schedule of End'ts)

Premium Basis	Estimated Exposure	Rate	Estimated Premium
FLAT	N/A	N/A	$ 31,250

Deposit Premium: on effective date of policy Minimum Premium: Annual Policy term

Audit Period: Not Applicable

*Absence of entry means the "each person" limit does not apply.

In witness whereof, the company has caused this policy to be signed by its Chairman and Corporate Secretary at Chicago, Illinois, but the policy shall not become valid until countersigned on the declaration page by a duly authorized representative of the company.

Countersigned by Robert Lala

D. H. Chookaszian
Chairman of the Board

D. W. Sowyer
Secretary

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0049-GLD-000055496

Excess Third Party Liability Policy

We will provide the insurance in this policy if premium is paid and you comply with all terms of this policy.

I. Coverage Agreements

a. This is excess insurance and only applies to those coverages for which underlying limits of liability are shown on the declarations of this policy.

b. Subject to a. above, **we** will reimburse **you** for the amounts of **loss**.
   1. exceeding the limits of liability of all **underlying insurance** stated in Item 4. of the declarations and
   2. only up to the limit of liability stated in the declarations of this policy as **our** limits of liability.

c. All provisions of the **immediate underlying insurance** are considered as part of this policy except any obligation to investigate, defend or pay for such costs and expenses of **your** defense. A provision in the **immediate underlying insurance** inconsistent with any other provision in this policy is not a part of this policy.

d. This policy applies to **loss** resulting from injury or destruction taking place during the policy period shown in the Declarations.
When the **immediate underlying insurance** applies to occurrences taking place during its policy period rather than injury or destruction during its policy period; then, this policy likewise applies to occurrences taking place during this policy period and, occurrence, is substituted for injury or destruction in the policy.

e. If any, **underlying insurance** terminates for any reason other than the exhaustion of an aggregate limit of liability, this policy also terminates on the same date and the same time, without notice to **you**.
If termination, as stated above, is not permitted by the statutes of the state shown as **your** address in the declarations, this policy will continue to apply, but only to the extent that it would have applied if **your underlying insurance** had not ceased to apply.

II. Definitions

a. **"Immediate Underlying Insurance"** means the policy listed on the declarations of this policy which provides the layer of coverage immediately preceding the layer of coverage provided by this policy.

b. **"Loss"** means amounts paid in settlement of a claim or judgment for which **you** are legally liable. The amounts are subject to deductions for subrogation, salvages, and any recoveries available. **Loss** does not include costs of defense, interest on judgment, or other expenses paid in defense or investigation of the claim.

c. **"Underlying Insurance"** means any policy listed on the declarations of this policy.

d. **"We," "us"** and **"our"** means the company providing this insurance.

e. **"You"** or **"your"** means the person or organizations insured in the **immediate underlying insurance**.

III. Aggregate Limits of Liability

a. Reduction of the aggregate
When the available "each person" or "each occurrence" limit of liability of the **underlying insurance** as stated in Item IV of the Declarations is reduced because the aggregate limit of liability of **your underlying insurance** is reduced, this policy becomes excess of such reduced limit of liability if such reduction is solely the result of injury or destruction occurring after the inception date of this policy and not before.
Nothing contained here shall operate to increase the limit of **our** liability.

b. Application of aggregates
If the **immediate underlying insurance** aggregate limit of liability applies separately to various operations, projects, locations, hazards, or types of injury, the aggregate limit of liability of this policy shall apply on the same basis.

c. Periods of time
The aggregate limits of liability of this policy apply separately to each aggregate period.
   1. First Aggregate Period
      (a) The first aggregate period begins on the effective date of this policy and ends on the next termination date of the aggregate period of the **immediate underlying insurance**
      (b) If this policy is:
         (1) a renewal of a similar policy issued by **us**, and
         (2) the expiration date of this policy and the expiration or anniversary date of the underlying policy are not identical.

      the applicable aggregate limit of liability of this policy for the first period shall be reduced by any amount paid or payable as a result of injury or damage taking place during the final aggregate period of the renewed policy.
   2. Intermediate Periods
      After the first aggregate period, any succeeding aggregate periods under this policy shall be concurrent with the aggregate period of the **immediate underlying insurance**, except for the final period.
   3. Final Period
      The final aggregate period of this policy begins on the termination date of the aggregate period of the immediate underlying insurance, which immediately precedes the expiration date of this policy, and ends on the expiration date of this policy.

   Nothing in this provision extends coverage beyond the expiration date of this policy.

IV. Conditions

a. Notice of Incident
Whenever **you** have information from which **you** may reasonably conclude that a loss appears likely to involve this policy, written notice shall be given to **us** or any of **our** authorized agents as soon as practicable.

b. Notice of Suit
If suit is brought which appears likely to involve this policy or alleges damages involving this policy, immediate written notice shall be given to **us** along with copies of the suit papers.
You must notify **us** or **our** agent of any **loss** which appears likely to involve this policy. **We** may, but **we** are not required to participate in the investigation, settlement or defense of any claim made or suit brought against **you**.

c. Underlying Insurance
The policy policies referred to in the declarations as **Underlying Insurance** shall be maintained by **you** in full effect during the term of this policy. This requirement is a condition precedent of coverage.
You must also promptly report to **us** any changes in coverage or premium in the underlying insurance.

d. Bankruptcy or Insolvency
The insolvency or financial impairment of any underlying insurer does not increase the amounts **we** would otherwise have had to pay nor does this policy become excess of any reduced recoveries available because of the insolvency or financial impairment.

e. Legal Actions Against Us
You may not bring any legal action against **us** concerning this policy until:
   1. **You** have fully complied with all the provisions of this policy; and
   2. The amount of **your** obligation to pay has been decided. Such amount can be set by judgment against **you** after actual trial or by written agreement between **you**, **us**, and the claimant.

Any person, organization, or their legal representative is entitled to recover under this policy after they have secured a judgment or written agreement against **you**. Recovery is limited to the extent of the insurance afforded by this policy. No person or organization has any right under this policy to include **us** in any action against **you** to determine **your** liability nor will **we** be brought into such an action by **you** or **your** representative. If **you** or **your** estate becomes bankrupt or insolvent, it does not change any of **our** obligations under this policy.

f. Rights of Recovery
   1. If **we** make any payment, **we** are entitled to recover what **we** paid form other parties. Any person to or for whom **we** make payment must transfer to **us** their rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize such rights
   2. Because this policy affords excess coverage **your** right of recovery may not always be exclusively given to **us**. **We** agree that if this happens, **we** shall act in concert with all other interests concerned, including **yours**. This will include the enforcement of any recovery rights, or in the recovery of amounts by any other means. The apportionment of any amounts recovered shall be in the following order:
      (a) any party including **you** who has paid an amount above payment by this policy shall be reimbursed up to the amount they have paid.
      (b) from any remaining balance, **we** will then be reimbursed up to the amount we have paid.
      (c) from any remaining balance, amounts paid by any of **your** underlying policies shall be reimbursed.
      Expenses and costs necessary to the recovery of any amounts shall be apportioned between all parties in the ratio

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of their recovery. If the attempt to recover is totally unsuccessful, expense and costs will be apportioned in the ratio of the amounts each party sought to recover.

g. Other insurance
When you are covered by other insurance policies in addition to those listed in the declarations of this policy asunderlying insurance, this policy shall apply andwe shall reimburseyou in excess of the total limits of liability of your listed underlying insurance and all other insurance under which you are covered. This includes all primary, secondary, excess or contingent insurance. It does not, however, include insurance which you purchase specifically to be in excess of this policy.

h. Cancellation
This policy may be canceled byyou either by surrender to us or our authorized agents, or by mailing to us written notice stating when cancellation shall be effective. This policy may be canceled bus by mailing to you at the address shown in the policy, written notice stating when, not less than thirty (30) days after, ten (10) days if cancellation is for nonpayment of any unpaid portion of the premium, such cancellation shall be effective. The mailing of notice is sufficient notice and the effective date of cancellation stated in the notice will become the end of the policy period. Delivery of written notice either byyou or by us shall be equivalent to mailing. If you cancel, earned premium will be computed in accordance with the customary short-rate table and procedure, buwe will always be entitled to receive or keep the minimum premium amount stated in the declarations. If we cancel, earned premium will be pro rata. Premium Adjustment may be made at the time cancellation is effected or as soon afterwards as is practicable.Our check or our representative's check mailed or delivered will be sufficient tender of any refund due you. Cancellation will be effective on the date stated in the notice even though we delay the refund of the unearned premium.

i. Insured First Named
The person or organization first named in item 1 in the Declarations is authorized to act for all of you.
If this policy insures more than one person or organization, cancellation must be effected by the first named insured and notice of cancellation by us will be made to the first named insured and shall be considered as notice to all. Payment of any unearned premium to the first named insured shall be for the account of all.
The first named insured is responsible for the premium. If the first named insured cannot or refuses to pay any or all of the premium, all ofyou are jointly and severally responsible to pay us the premium due.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

It is agreed that:

a. The policy does not apply:
   1. Under any Liability Coverage relating to Loss:
      (a) with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under an such policy but for its termination upon exhaustion of its limit of liability; or
      (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
   2. Under any Medical Coverage, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to bodily injury resulting form the hazardbus properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
   3. Under any Liability Coverage, to bodily injury or property damage resulting from the hazardous properties of nuclear material, if
      (a) the nuclear material (1) is at any nuclear facility owned by, or operated by, or on behalf of, an Insured or (2) has been discharged or dispersed therefrom;
      (b) the nuclear materials is continued 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 bodily 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 (c) applies only to property damage to such nuclear facility and any property thereat.

b. As used in this endorsement;
"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 "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
"waste" means any waste material (a) containing byproduct material and (b) 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 operations;
"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material; "property damage" includes all forms of radioactive contamination of property.

D. H. Chookasian
Chairman of the Board

D. M. Long
Secretary

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0049-GLD-000055498

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SCHEDULE OF ENDORSEMENTS

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Endorsement #1	-	Schedule Of Endorsements
Endorsement #2	-	Schedule Of Limits Of Insurance
Endorsement #3	-	Designated Entity Exclusion
Endorsement #4	-	Prior Acts Endorsement
G-15036-A 7 89	-	Asbestos Exclusion
RDX - 5004	-	Employee Retirement Income Security Act Liability Exclusion
G-40239-C 10 85	-	Defense Coverage Endorsement
U-RDX-5003	-	Discrimination Exclusion
RDX - 5002	-	Directors and Officers Liability Exclusion
G-115928-A 6 95	-	Employment Related Practices Exclusion

This endorsement is a part of your policy and takes effect on the effective date of your policy, unless another effective date is shown below.

Must Be Completed		Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy	
ENDT. NO.	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
1	CXU 167042182	Millennium Chemicals, Inc.	

Countersigned by Robert Lala
Authorized Representative

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Schedule of Limits of Insurance

Our Limit:

$ 25,000,000 each occurrence and in the aggregate where applicable part of $ 50,000,000 each occurrence and in the aggregate,

Layer Participants: **Hartford Insurance Company** (50 %)

excess of:

Underlying Limits:

$ 50,000,000 each occurrence and in the aggregate where applicable, as provided by:

TIG Insurance Company (100%)

in excess of:

$ 50,000,000 each occurrence and in the aggregate where applicable, as provided by:

Winterthur (100%)

in excess of:

$ 50,000,000 each occurrence and in the aggregate where applicable, as provided by:

National Union (100%)

Which is excess of primary insurance.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. This endorsement, which forms a part of and is for attachment to the following described policy issued by the company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NUMBER
2	CXU 167042182

Complete Only When This Endorsement is Not Prepared with the Policy Or is Not to be Effective with the Policy.	
ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
Millennium Chemicals, Inc.	

Countersigned by Robert Lala
Authorized Representative

Designated Entity Exclusion

It is agreed that this policy does not apply to any liability arising out of the operations or products of any person or organization listed below:

NEWCO Joint Venture

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated.

Must Be Completed	
ENDT. NO.	POLICY NO.
3	CXU 167042182

Complete Only When This Endorsement is Not Prepared with the Policy Or Is Not to be Effective with the Policy	
ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
Millennium Chemicals	

Countersigned by Robert Rala
Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGES FOR OCCURRENCES PRIOR TO THE POLICY PERIOD

A. It is hereby understood and agreed that this policy shall apply to claims first made against the Named Insured on or after January 1, 1998 resulting from occurrences that took place during the period from January 9,1986 to January 1, 1998 12:01 AM standard time at the address stated in the declarations, (Hereinafter "prior acts") (with no reinstatement of the aggregate) subject otherwise to the terms, limitations, exclusions and conditions of this policy.

B. The company's liability for the Named Insured's prior acts shall not exceed the amount stated on the declarations page, regardless of the number of (1) Named Insureds under the policy, (2) persons or organizations that sustain damage or injury, or (3) claims made or suits brought in respect of such prior acts. The company's liability for such prior acts shall, not however, be in addition to the limits of liability stated in the Declarations to the policy.

C. Anything in the foregoing to the contrary notwithstanding, the coverage for prior acts provided by this endorsement shall not apply to:

1. Claims arising from any pending and/or prior litigation commenced prior to the policy period, regardless of whether the Named Insured was named a party thereto when such litigation was commenced, nor any future claim arising out of such litigation.
2. Any claims first made against the Named Insured prior to commencement of coverage under the policy.
3. Any claims which are covered, in whole or in part, by any extended reporting period issued to the Named Insured pursuant to any claims-made policy.
4. Any claims covered, in whole or in part, by the terms of any other policy of insurance available to the Named Insured, whether or not collectible.
5. Any claims which would be covered, in whole or in part, by the terms of any other policy available to the Named Insured, but for the exhaustion of limits under such policy, or because they fall within a deductible or self insured retention.
6. Any claims for which the Named Insured has previously given notice to any other insurer, assures or underwriter as of the date hereof.
7. Any claims resulting from occurrences of which the Named Insured had actual or constructive notice prior to the commencement of coverage under the policy.

This endorsement may not be cancelled by either the Named Insured or the Company, and the entire premium for this endorsement shall be fully earned as of the date of commencement of coverage under the policy.

All other terms and conditions of this policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the following described policy issued by the company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, at the hour stated in said policy and expires concurrently with said policy.

Must Be Completed	
ENDT. NO.	POLICY NO.
4	CXU 167042182

Complete Only When This Endorsement is Not Prepared with the Policy Or is Not to be Effective with the Policy	
ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
Millennium Chemicals	

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Countersigned by Robert Cals
Authorized Agent

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EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

Commercial Umbrella Liability Policy
Excess Third Party Liability Policy

This insurance does not apply to:

(1) **Loss** arising out of the actual, alleged or threatened exposure at any time to asbestos; or

(2) Any **loss** cost or expense that may be awarded or incurred:

(a) by reason of a claim or suit for any such injury or damage; or
(b) in complying with a governmental direction or request to test for, monitor, clean up, remove, contain or dispose of asbestos.

Asbestos means the mineral in any form whether or not the asbestos was at any time:

(1) Airborne as a fiber, particle or dust;
(2) Contained in or formed a part of a product, structure or other real or personal property;
(3) Carried on clothing;
(4) Inhaled or ingested; or
(5) Transmitted by any other means.

Countersigned by Robert Lala
Authorized Representative

G-15036-A
(Ed 7/89)

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EMPLOYEE RETIREMENT INCOME SECURITY ACT LIABILITY EXCLUSION

This insurance does not apply to any loss as a result of liability imposed by the Employee Retirement Income Security Act of 1974 (or any amendment or addition thereto) or any state statute or common law rule which imposes fiduciary duties and responsibilities with respect to any employee benefit program.

Countersigned by Robert Cala
Authorized Representative

RDX 5004

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DEFENSE COVERAGE ENDORSEMENT

In consideration of the premium paid, it is agreed that the following Insuring Agreement is added to this policy:

Defense and Settlement

1. When the obligations of **your** underlying insurers to defend **you** against suits or to reimburse **you** for defense fees, costs, and expenses **you** incur stops because a limit of liability has been exhausted, **we** will either:

   a. assume the duty of defending **you** against suits, or

   b. reimburse **you** for the reasonable defense fees, costs, and expenses **you** incur with **our** written consent in the defense of suits, whichever **we** elect.

2. As soon as **you** have information that the underlying insurer's obligation to defend or reimburse **you** for defense fees, costs, and expenses has or will stop, **you** must notify **us** immediately. **We** will tell **you** whether **we** elect to assume the defense of the suit or reimburse **you** for reasonable defense fees, costs, and expenses **you** incur with **our** written consent as soon as practicable after **we** receive **your** notice.

3. Defense fees, costs, and expenses, whether incurred by **us** or by **you** and which are covered under this endorsement are in addition to **our** limit of liability.

4. Regardless of which option **we** elect, **we** have the sole right to settle any suit or claim **we** think appropriate without **your** consent.

5. $ Included additional premium for the endorsement.

Countersigned by Robert Rala
Authorized Representative

G-40239-C
(ED. 10/85)

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DISCRIMINATION EXCLUSION

This insurance does not apply to any alleged or actual discrimination by an insured against a past, present or prospective employee and to discrimination committed intentionally against any person.

Countersigned by Robert Lala
Authorized Representative

U-RDX-5003

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DIRECTORS' AND OFFICERS' LIABILITY EXCLUSION

This insurance does not apply to any wrongful act, error, omission or breach of duty by you in the performance of the office of director or officer of any organization.

Countersigned by Robert Lala
Authorized Representative

RDX-5002

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EMPLOYMENT - RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA PLUS COVERAGE PART

1. The following exclusion is added to part 2. **Exclusions** of SECTION I - COVERAGES:

   This insurance does not apply to:

   "Bodily injury" or "personal injury" arising out of any:

   a. Refusal to employ;
   b. Termination of employment;
   c. Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, or other employment-related practices, policies, acts or omissions; or
   d. Consequential "bodily injury" of consequential "personal injury" as a result of **a.** through **c.** Above.

   This exclusion applies whether the insured may be held liable as an employer or in any other capacity, and to any obligation to share damages with or to repay someone else who must pay damages because of the injury.

2. The definition for "personal injury" in SECTION V - DEFINITIONS is deleted and replaced by the following:

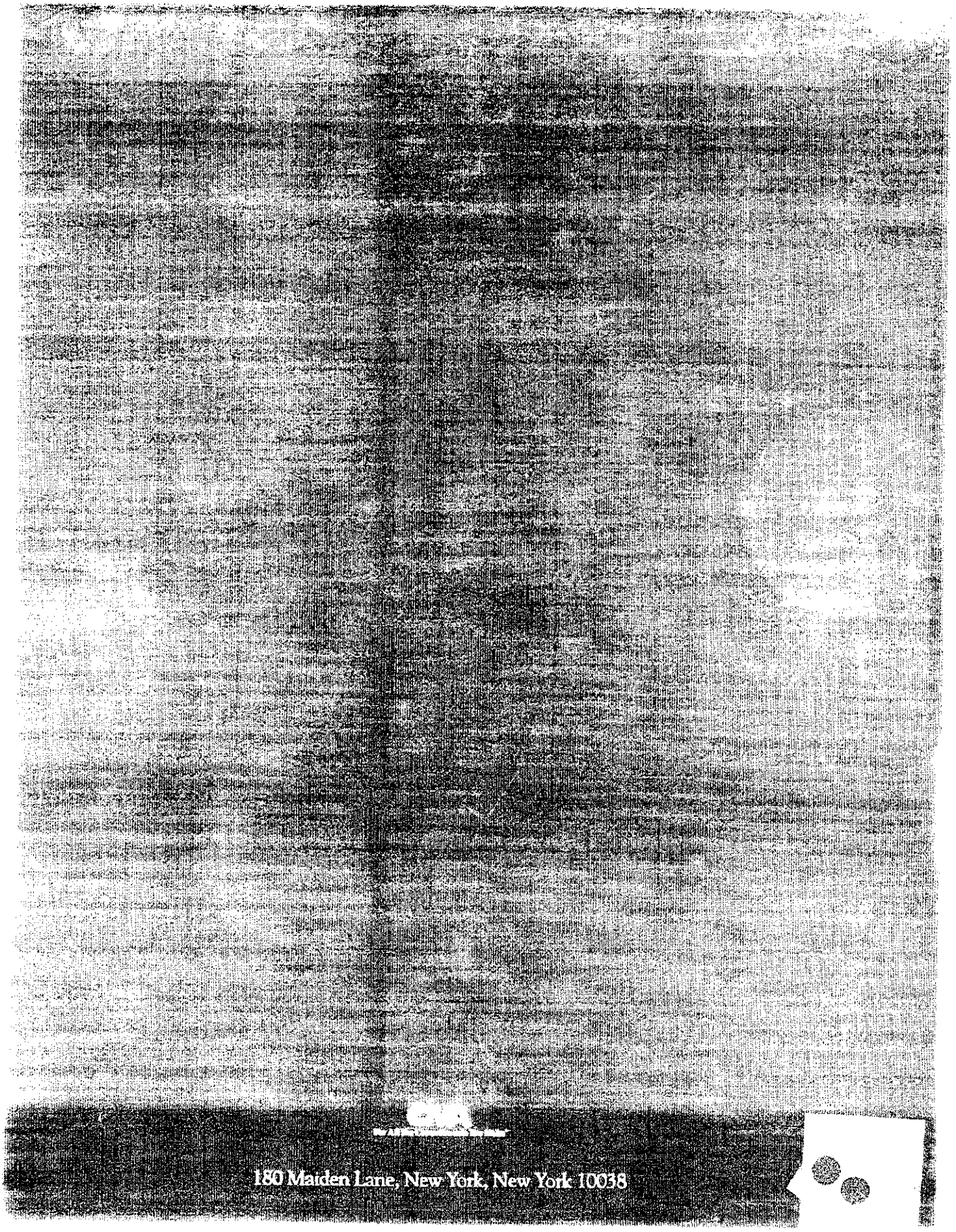
   "Personal injury" means injury, other than "bodily injury" or injury excluded by **1.** above or Exclusion **2.r.** of SECTION I - COVERAGES, arising out of one or more of the following offenses:

   a. False arrest, detention or imprisonment;
   b. Malicious prosecution;
   c. Wrongful eviction from, wrongful entry into, or the invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord or lessor;
   d. Discrimination, unless such insurance is prohibited by law;
   e. Humiliation;
   f. Libel;
   g. Slander or defamation of character; or
   h. Invasion of rights of privacy.

   All of which are committed in the conduct of an insured's business, except for coverage that is afforded under "Advertising Injury".

Countersigned by Robert Cala
Authorized Representative

G-115928-A
(ED. 06/95)



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