

PLAINTIFF'S EXHIBIT

ASA-1409

ASARCO**PURCHASE ORDER
EL PASO PLANT**

PAGE 1 OF

DATE

11/18/97

ORDER NO.

57EX05422

RELEASE NO.

REQUISITION NO.

266889

UNLESS OTHERWISE SPECIFIED ALL
DELIVERIES WILL BE ACCEPTED ONLY
BETWEEN 7:00 A.M. - 11:30 A.M.
12:30 P.M. - 3:30 P.M.ASARCO INCORPORATED
PO BOX 1111

EL PASO, TEXAS 79999

PHONE (915) 521-3634

FAX (915) 541-1811

EQUAL OPPORTUNITY EMPLOYER

MON 01/18/98 1835

TO: 601465-01	
ACME ENVIRONMENTAL SYSTEMS	
3804 VOLCANIC AVENUE	
EL PASO TX	79904
DATE REQUIRED AT DESTINATION	
6/30/98	
SHIPPING INTERVAL PROMISED	SELLER WILL SHIP BEFORE
	06/30/98
POINT OF SHIPMENT	TERMS
EL PASO	NET 30 DAYS
F.O.B. POINT	
DESTINATION	

SELLER WILL SHIP TO
ASARCO INCORPORATED
EL PASO PLANT
2301 WEST PAISANO ST
EL PASO, TX 79922

Render separate invoices for each order - show above number and mail in
duplicate to

ASARCO INCORPORATED
EL PASO PLANT
P. O. BOX 1111
EL PASO, TX 79999

SHIP VIA

VENDOR'S TRUCK

QUANTITY	UNIT	REFERENCE NUMBER	SPECIFICATIONS	ITEM NO.	UNIT PRICE
1.00	EA	DIRECT AREA I, REMOVE BY 11/16/1997 REQUESTED BY: P MUNSELL	EFN 5131 000066	1	\$12,920.000
1.00	EA	DIRECT AREA II, ABATE BY NOVEMBER 16, 1997 REQUESTED BY: P MUNSELL	EFN 5131 000066	2	\$16,780.000
1.00	EA	DIRECT AREA III, BY JUNE, 1998 REQUESTED BY: P MUNSELL	EFN 5131 000066	3	\$5,400.000
PROVIDE SUPERVISION, LABOR, EQUIPMENT AND MATERIAL TO PERFORM THE ABOVE SERVICE.					
COST TO BE BASED ON THE RATES AS SHOWN IN THE SUPPLIER PROPOSAL AND PD-19 CONTRACT					
RULES FOR CONTRACTORS ENTERING AND WORKING IN THE PLANT, AND OSHA HAZARD COMMUNICATIONS PROGRAM FOR THE CONTRACTOR ARE ATTACHED OR ARE INCLUDED AS PART OF THE CONTRACT.					

SPECIAL INSTRUCTIONS

1. Show purchase order number on all packages, packing slips, bills invoices and other paper pertaining to this transaction.
2. Packing list must accompany each shipment.
3. Original Bill of Lading must accompany each invoice.
4. All terms and conditions appearing on the reverse side are hereby made a part of this order.
5. ASARCO will not accept any matter containing ASBESTOS, TREMOLITE, ANTHOPHYLLITE, OR ACTINOLITE.
6. If required by law, a MSDS must be provided for all materials on this purchase order. If current MSDS has been provided, indicate reference purchase order number and date of shipment on each packing slip.

PLEASE ENTER OUR ORDER FOR THE ITEMS SPECIFIED ABOVE, SUBJECT TO ALL INSTRUCTIONS AND PROVISIONS ON REVERSE SIDE.

DIRECT PAYMENT PERMIT
NO. 3-00020-4251-0

BY

AUTHORIZED BUYER

REQUISITIONER

ASARCO ELP 0010903

ASARCO**PURCHASE ORDER
EL PASO PLANT**

PAGE 2 OF

UNLESS OTHERWISE SPECIFIED ALL
DELIVERIES WILL BE ACCEPTED ONLYBETWEEN 7:00 A.M. - 11:30 A.M.
12:30 P.M. - 3:30 P.M.

MONDAY THROUGH FRIDAY

ASARCO INCORPORATED
PO BOX 1111

EL PASO, TEXAS 79999

PHONE (915) 521-3634

FAX (915) 541-1811

EQUAL OPPORTUNITY EMPLOYER

DATE

11/18/97

ORDER NO.

57EX05422

RELEASE NO.

REQUISITION NO.

266889

TO: 601465-01 ACME ENVIRONMENTAL SYSTEMS 3804 VOLCANIC AVENUE EL PASO TX 79904		SELLER WILL SHIP TO ASARCO INCORPORATED EL PASO PLANT 2301 WEST PAISANO ST EL PASO, TX 79922	
DATE REQUIRED AT DESTINATION 6/30/98		Render separate invoices for each order - show above number and mail in duplicate to	
SHIPPING INTERVAL PROMISED	SELLER WILL SHIP BEFORE 06/30/98	ASARCO INCORPORATED EL PASO PLANT P. O. BOX 1111 EL PASO, TX 79999	
POINT OF SHIPMENT EL PASO	TERMS NET 30 DAYS	SHIP VIA VENDOR'S TRUCK	
F.O.B. POINT DESTINATION			

QUANTITY	UNIT	REFERENCE NUMBER	SPECIFICATIONS	ITEM NO.	UNIT PRICE
			CONTRACTOR WILL COMPLY WITH ITEM THIRTEEN (13) INSTRUCTIONS AND PROVISIONS OF THE PURCHASE ORDER (SEE REVERSE) FOR WORK PERFORMED ON THE PLANT SITE. INSURANCE CERTIFICATE ON FILE IN ASARCO'S EL PASO COPPER SMELTER PURCHASING DEPT. OFFICE. ***** THIS PURCHASE ORDER IS BEING TRANSMITTED TO YOU BY FACSIMILE MACHINE. THE ORIGINAL COPY OF THE PURCHASE ORDER WILL BE MAILED TO YOU AS CONFIRMATION. ALL TERMS AND CONDITIONS AS SHOWN ON YOUR CONFIRMATION COPY ARE THEREBY MADE A PART HEREOF. ***** ***** NOTE ***** ***** ANY COMMUNICATIONS PERTAINING TO THIS ORDER SHOULD BE DIRECTED TO EL PASO PLANT CONTACT ELIZABETH YZAGUIRRE BY PHONE AT (915) 541-1860 OR BY FAX AT (915) 521-3605. *****		

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DIRECT PAYMENT PERMIT
NO. 3-00020-4251-0

BY

AUTHORIZED BUYER

REQUISITIONER

ASARCO ELP 0010904

ASARCO**PURCHASE ORDER
EL PASO PLANT**

PAGE 3 OF

DATE

11/18/97

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REQUISITION NO.

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12:30 P.M. - 3:30 P.M.

MONDAY THROUGH FRIDAY

ASARCO INCORPORATED

PO BOX 1111

EL PASO, TEXAS 79999

PHONE (915) 521-3634

FAX (915) 541-1811

EQUAL OPPORTUNITY EMPLOYER

TO: 601465-01
ACME ENVIRONMENTAL SYSTEMS
3804 VOLCANIC AVENUE
EL PASO TX 79904

SELLER WILL SHIP TO

ASARCO INCORPORATED
EL PASO PLANT
2301 WEST PAISANO ST
EL PASO, TX 79922

DATE REQUIRED AT DESTINATION

6/30/98

SHIPPING INTERVAL PROMISED

SELLER WILL SHIP BEFORE

06/30/98

POINT OF SHIPMENT

EL PASO

TERMS

NET 30 DAYS

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DESTINATION

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EL PASO, TX 79999

SHIP VIA

VENDOR'S TRUCK

QUANTITY	UNIT	REFERENCE NUMBER	SPECIFICATIONS	ITEM NO.	UNIT PRICE
		** END OF P.O. **			

266889

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DIRECT PAYMENT PERMIT
NO. 3-00020-4251-0

BY

AUTHORIZED BUYER

REQUISITIONED

ASARCO ELP 0010905

Asarco Construction or Repairs
Contract Form PD-19
Under \$100,000.00
Revised 6/95

CONTRACT FOR
POWER HOUSE BASEMENT ASBESTOS ABATEMENT
at ASARCO Incorporated's EL PASO facility
at EL PASO, TEXAS

THIS AGREEMENT made the 5TH day of NOVEMBER, 1997, by and between ACME ENVIRONMENTAL SYSTEMS, whose address is 3804 VOLCANIC AVENUE, EL PASO, TEXAS 79904 (hereinafter called the "Contractor") and ASARCO Incorporated, a corporation of the State of New Jersey, whose address is 180 Maiden Lane, New York, New York 10038 and P. O. BOX 1111, EL PASO, TEXAS (hereinafter called the "Owner").

Whenever used in this agreement, the terms "Owner" and "Contractor" shall include their respective directors, officers, employees, servants, affiliates, subsidiaries and/or agents. The term "Contractor" shall also include any and all subcontractors and their officers, employees, servants, affiliates, subsidiaries and/or agents, suppliers and any other parties under Contractor's direction or control in connection with the Work.

WITNESSETH:

The Contractor and the Owner agree as follows:

Article 1. Scope of the Work

The Contractor shall furnish all shop drawings, field engineering, labor, tools, equipment, transportation, materials and other facilities, except such items as are hereinafter listed as being furnished or furnished and installed by the Owner, for POWER HOUSE BASEMENT ASBESTOS ABATEMENT (hereinafter called the "work") at the EL PASO Plant of the Owner at EL PASO, TEXAS, in accordance with the drawings and specifications listed below, all of which are incorporated herein by reference and made a part hereof:

(List Specifications and Drawings)

EQUAL OPPORTUNITY STATEMENT
ADDENDUM "A"
SAFETY AND HEALTH ADDENDUM
WASTE CONTAINER LABELING MEMO DATED MARCH 5, 1997
CONTRACTOR OSHA COMPLIANCE LETTER DATED MARCH 5, 1997
ENGLISH LANGUAGE COMPREHENSION LETTER DATED MARCH 27, 1997
ABATEMENT PLAN FOR THE REMOVAL OF ASBESTOS-POWERHOUSE BASEMENT
DATED 10/27/97
ACME ENVIRONMENTAL SYSTEMS PROPOSAL RECEIVED 11/4/97

Article 2. Time of Completion

The work shall be commenced NOVEMBER 7, 1997 and shall be completed JUNE 30, 1998.

Note: Area I and Area II will be completed by 11/16/97. Asarco will notify contractor of a thirty day period prior to 6/30/98 when work in Area III must be performed.

Article 3. Payment (to be deleted if progress payments are to be made)

The Owner shall pay the Contractor for the performance of this Contract, the sum of THIRTY FIVE THOUSAND ONE HUNDRED dollars (\$35,100), lawful money of the United States of America within THIRTY days after satisfactory completion of the work and submission by the Contractor of evidence (including, if requested, complete releases of all liens arising out of or in connection with the work by all persons, firms or corporations on whose behalf such liens could be or were filed) satisfactory to the Owner that all charges for labor and material incorporated in the work and all other indebtedness connected with the work for which liens could be filed have been paid and that the work is free of all liens and encumbrances. Payment for Area I (\$12,920.00) and Area II (\$16,780.00) will be made upon completion.

Article 4. Payments Withheld

The Owner may withhold all or part of any payment to the extent necessary to protect the Owner from loss or damage on account of (a) damaged or defective work not remedied, (b) claims filed or reasonable evidence indicating probable filing of claims by other parties against the Contractor or the Owner, (c) failure of the Contractor to make payments properly to Subcontractors or for material or labor, (d) a reasonable doubt that this contract can be completed for the balance then unpaid, (e) damage to the Owner's property or the work of another contractor, (f) failure of Contractor to remove any equipment, appliances, tools, materials, supplies or wastes from Owner's property, or (g) Contractor's violation of any applicable laws, ordinances, rules, regulations, standards and/or other governmental requirements.

Article 5. Liens

If any lien remains unsatisfied after payment of the full contract price has been made, the Contractor shall refund to the Owner all monies that the latter may be compelled to pay in discharging such lien, including all costs, expenses and a reasonable attorney's fee.

Article 6. Guaranty Bonds

If the Owner has so requested prior to the signing of this Contract, the Contractor, at the option of the Owner, agrees to furnish or permit the Owner to secure bonds in the full amount of the contract written by a surety company designated by, or otherwise satisfactory to, the Owner, guaranteeing and conditioned for the full, complete and faithful performance of this contract by the Contractor and for the payment of claims for labor performed or materials furnished in connection herewith, all in accordance with the terms of the bonds. The premium for the bonds will be paid by the Owner and must not be included by the Contractor in the contract price. In the event the Owner elects to secure such bonds, the Contractor agrees to sign the required application, to furnish necessary financial statements and financial guarantees, and to otherwise cooperate with the Owner, in securing the bonds. If any change in work is authorized pursuant to the terms of this Contract, Contractor shall cooperate with Owner so as to ensure Owner's ability to secure and maintain bonds for the same.

Article 7. Title to the Work

Title to all work completed or in the course of construction shall be in the Owner and title to all machinery, equipment and materials to be incorporated in the work shall be in the Owner as soon as they are delivered on the site of the job.

Article 8. Inspection and Repair

The Contractor shall provide safe and proper facilities at all times for the inspection of the work by the Owner, and shall as soon as practicable after written notice from the Owner, at the Contractor's sole expense, replace and repair any materials or portions of the work which the Owner, in its sole discretion, shall deem defective or otherwise not in compliance with the specifications, design or performance requirements set forth in this contract and make good all work damaged or destroyed thereby, whether or not there shall be a dispute with respect to any of the foregoing. Any such dispute shall be settled by arbitration.

Article 9. Protection by Contractor

The Contractor at all times shall maintain adequate protection of the work from damage and shall protect the Owner's property and all persons thereon from injury, damage or loss by reason of any act or omission of the Contractor or any Subcontractor. Where such damage includes damage to the work it shall be repaired at the expense of the Contractor.

The Contractor shall use its best judgment and skill in dealing with labor matters, and take all reasonable steps to avoid labor dispute. In the event of any strike or threat of strike, slowdowns, featherbedding, or other like practices, the Contractor shall apprise the Owner of all relevant facts and implications of the particular labor problem involved, and shall consult in good faith with the Owner in an endeavor to reach a mutually satisfactory solution to such labor problem and, so far as reasonably possible, to protect the Owner against delays affecting the work or damage or losses to its other operations.

Article 10. Contractor's Insurance

The Contractor shall, for the mutual protection and benefit of both Owner and Contractor, procure, pay for and maintain in full force and effect, at all times during the performance of the work and until final acceptance of the work, policies of insurance issued by a responsible carrier or carriers acceptable to Owner which afford the following coverages:

Workers' Compensation	- Statutory
Employers' Liability	- Not less than \$500,000
Comprehensive General Liability including Independent Contractors' Broad Form Contractual, Broad Form Property Damage, Personal Injury, Completed Operations and Products coverages (such Completed Operations and Products coverages shall be provided for a period of two (2) years after final completion of the work and final acceptance by the Owner), and deletion of any exclusion pertaining to explosion, collapse, underground property damage, radiation and pollution hazards.	- Not less than \$2,000,000 combined single limit for both bodily injury and property damage
Comprehensive Automobile Liability including Owned, Non-Owned, and Hired Car coverages.	- Not less than \$2,000,000 combined single limit for both bodily injury and property damage

All policies, with the exception of Workers' Compensation and Contractor's Professional Liability, shall name Owner, its subsidiaries, directors, officers, agents and employees as additional insureds, and shall expressly provide that the interest of same therein shall not be affected by any breach by Contractor of any policy provision. All policies shall expressly provide that no less than thirty (30) days prior written notice shall be given to Owner in the event of material alteration to or cancellation of the coverages evidenced by such policies. Further, the Workers' Compensation policy shall contain an endorsement waiving the insurers' right of subrogation against Owner, its subsidiaries, agents and affiliated companies, and their directors, officers, agents and employees.

Prior to any equipment or personnel being brought onto Owner's premises in accordance with the terms of this Agreement, Contractor shall deliver to Owner a Certificate of Insurance for each policy obtained pursuant to this Agreement evidencing each of the provisions specified in this Article along with the signed Agreement.

Upon renewal of each policy, Contractor shall provide to Owner a certificate of insurance evidencing all of the provisions specified in this Article.

Contractor will maintain the original of all policies, endorsements and certificates, and provide Owner with copies of same upon request of Owner.

Article 11. Indemnity by Contractor

Contractor agrees to defend at its own cost and to **INDEMNIFY and HOLD HARMLESS** the Owner and its agents and employees from any and all liability, damages, losses, claims and expenses howsoever caused resulting directly or indirectly from or connected with the performance of this agreement.

Contractor's duty to indemnify Owner shall not apply to liability from damages arising out of bodily injury to persons or damages to the property caused by or resulting from the sole negligence of Owner, or Owner's agent or employees.

Contractor's duty to indemnify Owner for liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of Owner or Owner's agents or employees shall apply only to the extent of negligence of Contractor or Contractor's agents, employees, and sub-tier subcontractors and suppliers.

Contractor's indemnifications shall survive termination of the Contract.

Article 12. Owner's Responsibility for Certain Casualties

The Owner shall be responsible for all damage to the work, including all materials and equipment owned by Owner on or about the premises intended for permanent use in the project or incidental to the construction thereof and included in the total cost of the work.

The Owner may during the process of the work, maintain and pay for property insurance to cover the work during construction with such deductible as it may at its sole discretion choose or Owner may at its sole option completely self-insure same.

If the Contractor desires any other insurance, beyond that provided by Owner, to protect Contractor's temporary structures, materials, hand tools, machinery and equipment, he may obtain and pay for same.

Article 13. Status and Responsibility of Contractor and its Personnel

It is understood and agreed that the status of the Contractor hereunder is that of an independent contractor, that the personnel of the Contractor performing services or work hereunder shall under no circumstances be deemed to be employees of the Owner, and that any Workers' Compensation Insurance coverage and all training required by law (including but not limited to applicable training requirements related to health and safety, and the environment) for such personnel will be the sole responsibility of the Contractor. Notwithstanding the aforesaid understanding, the general instructions of the Owner in connection with accomplishing the work to be done hereunder shall be followed by the personnel of the Contractor.

During tenure of Contract, Owner shall have prerogative to request changes in personnel of Contractor's employees assigned to this work when in the opinion of the Owner their work is not conducive to required scope of work.

Article 14. Compliance with Laws and Ordinances

This Contract shall be performed in compliance with all applicable laws, ordinances, rules, regulations, standards and/or other governmental requirements including, but not limited to those of the federal Occupational Safety and Health Administration, the Mine Safety and Health Administration, the Environmental Protection Agency, the Department of Transportation, the Department of Labor, and all state, municipal and local governmental agencies. If the Contractor performs any work contrary to such laws, ordinances, rules, regulations, standards and/or other governmental requirements, Contractor shall bear all costs and expenses arising therefrom, including all penalties, fines, awards, settlements and losses, including attorneys fees.

If for any reason the Contractor's or any of its subcontractor's employees or agents acquire a status imposing liability on the Owner for employers' contributions or taxes under the Federal Insurance Contribution Act, the Federal Unemployment Tax Act, any State Unemployment Tax or Wage Protection Act, or any other Act, Statute or Regulation thereunder, the Contractor shall be exclusively liable for, and shall indemnify the Owner against, the same and agrees to comply with all such laws and regulations so as to relieve the Owner from any and all liability therefor and from the responsibility of making reports or keeping records with respect thereto.

Article 15. Equal Employment

To the extent applicable to the contracting and/or subcontracting of services or work hereunder, the following provisions are incorporated by reference and Contractor represents that it will comply with them provided such services are utilized by Owner to fulfill obligations pursuant to a contract with the Federal Government or any Agency thereof: Equal Employment Opportunity: E.O. 11246 and 41 CFR Sec. 60-1.4 and 60.1-7: Employment of Veterans: 41 CFR Sec. 60-250 and Employment of Handicapped: 41 CFR Sec. 741-4, and all rules and regulations issued pursuant to the foregoing.

Article 16. General Safety Provisions

a. Contractor shall designate a job site representative to be its safety supervisor and that person shall be responsible for promoting safety and accident prevention, interest and compliance with applicable safety laws, rules and regulations among its employees and coordinating such activities with Owner and any subcontractors and suppliers of Contractor.

b. Contractor shall convey in writing and orally to its employees that they must notify Contractor immediately of any safety concerns or problems they may have at the project regardless of whether such concerns or problems relate to any job site policy, law, rule, regulation or any physical condition of the project premises or any circumstances, or any actions or inactions of Owner or Contractor. Upon receipt of such notice involving any entity, Owner must be notified within twenty-four (24) hours, in writing, of the stated concern or problem and what corrective action has been taken and/or remains to be taken.

c. Contractor shall comply with all laws, ordinances, codes, rules, regulations, standards and any safety policies instituted by Owner relative to the Project, relative to safety and the prevention of accidents. Contractor acknowledges that it has been provided with Owner's safety rules and training materials and agrees to institute and follow such rules and apply the training materials to the work performed under this Contract.

d. Contractor shall take all reasonable precautions to ensure the safety and health of all persons working at the project and all persons who may in any way be affected by the Contract work.

e. Contractor shall take all reasonable precautions to assure that it discovers, is made aware of and corrects any unsafe conditions, circumstances, actions or inactions that arise at the project and that directly or indirectly effect any of Contractor's personnel or the personnel of any other contractor or the Owner at the site.

f. Contractor agrees to observe, comply with and enforce any and all provisions and requirements of the Occupational Safety and Health Act, and the Mine Safety and Health Act, including any and all amendments and supplements to and all standards, rules and regulations issued under these Acts, or similar or more stringent federal, state or local requirements, as are applicable to the performance of the Contract. Contractor shall promptly advise Owner of any investigation or inspection by any federal, state or local governmental agency representative of Contractor's workplace, provide copies of inspection reports, notices of violations, and inform Owner of the outcome of any such inspection or investigation in writing.

g. Contractor shall immediately notify Owner (and provide a detailed written report) of every accident involving injury to personnel occurring in connection with the contract work and agrees to assist Owner with any accident investigation in which Contractor has any involvement, including access to and preservation of the work area and production of any and all of its documents and records and any employees who may have witnessed the accident.

h.1) Contractor acknowledges and agrees that any training, safety equipment or monitoring that may be provided or performed by Owner for the Contractor or the Contractor's employees is strictly voluntary and done to enhance safety and health in the workplace. Any such actions by the Owner shall not change or diminish the Contractor's responsibilities in these areas.

and

h.2) Contractor agrees to provide Owner with its written safety program and certify annually that all required training has been completed in a timely manner pursuant to the applicable federal and state laws and regulations.

Article 17. General Environmental Provisions

a. Contractor is responsible for proper management, storage and disposal of all supplies and materials utilized in the work and waste materials generated in course of performance of the Contract pursuant to Owner's rules, and all applicable laws, ordinances, rules, regulations, standards and/or other governmental requirements including but not limited to those of the Occupational Safety and Health Administration, the Mine Safety and Health Administration, the Environmental Protection Agency, the Department of Transportation and all state, municipal and local governmental agencies, and the applicable fire codes, including but not limited to appropriate containers, labels, warnings and placards, and secondary containment for materials containing hazardous substances or petroleum.

b. Contractor may store supplies, materials, and wastes only in areas designated by Owner. Contractor may not store any wastes on Owner's property in excess of ninety (90) days. If Contractor utilizes any materials designated by federal, state or local law as a hazardous substance or a hazardous waste, such materials must be stored in appropriate containers and spill control equipment must be available in the storage areas.

c. In the event of a fire, or a spill or release of hazardous materials or wastes on Owner's property, Contractor will take actions necessary to prevent harm to the environment and human health, and immediately notify Owner's Environmental Department, Safety Department and the Security Office.

d. Contractor is responsible for removing all supplies and materials utilized in the work and waste materials generated in the course of the performance of the Contract from Owner's property in accordance with all applicable laws, ordinances, rules, regulations, standards and/or other governmental requirements. Contractor is responsible for all costs associated with off-site disposal of all hazardous and non-hazardous wastes. Contractor must inform the Owner's Environmental Department at least seven (7) days before any waste material is transported off-site for recycling or disposal.

e. In the event that Contractor leaves any materials, supplies or wastes on Owner's property after completion of the work, said materials, supplies or wastes will be disposed of by Owner at Contractor's expense.

f. Prior to commencement of the work, Contractor will provide Owner with a Material Safety Data Sheet for all materials and supplies to be utilized on Owner's property in the course of performance of the Contract. At Owner's discretion, Owner may require that Contractor utilize a substitute product that is less hazardous.

g. Contractor is responsible for making all such Material Safety Data Sheets available to its own employees and those of its subcontractors pursuant to the Occupational Safety and Health Act.

h. Contractor may not bring any materials on to Owner's property nor utilize any products that contain the following substances: asbestos, chlorofluorocarbons (CFCs), chlorinated solvents, polychlorinated biphenyls (PCBs).

Article 18. Patents

The Contractor shall indemnify and save harmless the Owner against and from any and all claims, losses, costs, damages, expenses, actions or other proceedings, growing out of or resulting from infringement of any patent by the Contractor or any Subcontractor in the performance of this Contract, except that this provision shall not apply to patented articles or processes specified in drawings or specifications furnished by the Owner provided any such claim is not attributable to Contractor's negligence in the use of such patented articles or processes. This indemnity shall survive termination of the Contract.

Article 19. Changes in the Work

The Owner, without invalidating this Contract, may at any time order extra work or make changes by altering, adding to or deducting from the work. Such order may be made by the Owner on its own behalf or at the request of the Contractor, upon discovery by the Contractor of any discrepancy between the plans and the physical conditions encountered. If such extra work or changes involve a change in cost, the contract price shall be increased or decreased by the fair value thereof. The Owner will itemize the changes to be made and upon receipt of written notice of same, the Contractor agrees to submit promptly to the Owner, in triplicate, an itemized statement of his calculations of the adjustment in the contract price resulting from the changes or extra work. This must be done before work on the change is begun unless the Owner gives written order to proceed immediately. No work or change shall be made, except by written order of the Owner and no claim for an addition to the contract price shall be valid unless the additional work was so ordered. Any dispute under this Article shall be subject to arbitration.

Article 20. Owner's Right to Terminate Contract

If any proceeding is instituted by or against Contractor seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or seeking the entry of an order of relief or the appointment of a receiver, trustee or other similar official for it or any substantial part of its property, or if Contractor shall admit its inability or fails to pay its debts generally, or shall make a general assignment for the benefit of its creditors, or if the Contractor at any time should fail, refuse or neglect to supply enough properly skilled workmen or proper materials, or if he should fail to make prompt payments to Subcontractors or for material or labor, or disregard laws, ordinances or the instructions of the Owner, or otherwise be guilty of a substantial violation of any provision of this Contract which Contractor shall have failed to correct promptly after service of written notice thereof by the Owner, then the Owner may, without prejudice to any other right or remedy, terminate the employment of the Contractor for the Contractor's default and take possession of the premises and of all materials, tools and appliances thereon and finish the work by whatever method the Owner may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the contract price shall exceed all the general damages of the Owner caused by the Contractor's default, including but not limited to any financial losses or expenses incurred or suffered by Owner as a result of a delay in the completion of the work and the expense of finishing the work and compensation of the Owner for the Owner's managerial and administrative services, such excess shall be paid to the Contractor.

If such damages shall exceed such unpaid balance, the Contractor shall pay the difference promptly to the Owner.

Article 21. Owner's Right to Terminate Contract without Cause

Owner may at any time terminate Contractor's services under the Contract for any reason whatsoever by giving Contractor not less than fifteen (15) days written notice of termination setting forth the effective date of termination. In the event of such termination, Owner shall pay to Contractor (a) its reimbursable costs for services performed prior to the effective date of such termination, less payments previously paid by Owner on account thereof, (b) all other reimbursable costs and expenses which Contractor may incur as a result of such termination, including relocation of Contractor's field personnel and such other costs and expenses as may be approved by the Owner, and (c) an equitable portion of the profit based upon the actual work performed at the time of termination less any payment on account of profit which had been previously made. Except as may be otherwise expressly provided herein, Contractor shall not be entitled to demand any damages, compensation or indemnity of any kind as a consequence of such termination.

Article 22. Correction of Work after Payment

Neither payment nor any provision in this Contract shall relieve the Contractor of responsibility for faulty materials or workmanship and the Contractor shall remedy any defects due thereto and pay for any damage to other work resulting therefrom which shall appear within one (1) year from the date of completion of the Contractor's work hereunder. The Owner shall give notice of observed defects with reasonable promptness. Any dispute under this Article shall be subject to arbitration.

Article 23. Arbitration

If any controversy, claim, dispute or question shall arise between the parties in respect of the construction, meaning or effect of this Contract or anything contained in it, or the rights and liabilities of the parties hereunder or otherwise in relation to this Contract, then every such controversy, claim, dispute or question shall be decided by arbitration in accordance with the rules of the American Arbitration Association. This agreement so to arbitrate will be specifically enforceable under the prevailing law of any court having jurisdiction. Notice of demand for arbitration will be filed in writing with the other party and with the American Arbitration Association. The demand for arbitration will be made within a reasonable time after the controversy, claim, dispute or question has arisen, and in no event shall any such demand be made after the date when institution of legal or equitable proceedings based on such controversy, claim, dispute or question would be barred by the applicable statute of limitations. An award rendered pursuant to arbitration will be final and judgment may be entered in any court having jurisdiction thereof.

Article 24. Subcontractors and Suppliers

The Contractor will not employ any subcontractor without the prior written approval of Owner and the Contractor agrees to be responsible for any failure by the subcontractor to comply with the terms and conditions of this Contract which are in any way applicable to such subcontractor. Nothing herein shall be deemed to create a contractual relationship between any such subcontractor and the Owner.

All of Contractor's subcontractors and suppliers shall be apprised of the terms and conditions of this Contract and shall be held liable, accountable for and subject to these terms and conditions in their own subcontract work and supply contracts to the same extent and degree that the Contractor is or would be liable, accountable for and subject to these terms and conditions in its contract work. It shall be the Contractor's duty to ensure that its subcontractors and suppliers accept and comply with the terms and conditions of this Contract and Contractor shall supply to the Owner evidence of such compliance in a form acceptable to Owner.

Article 25. Assignment

The Contractor shall not assign nor subcontract this Contract in whole or in part, nor shall the Contractor assign any monies due or to become due Contractor hereunder without the prior written consent of the Owner.

Article 26. Coordination of Work

The Contractor shall conduct the work hereunder so as to cause a minimum of interference with the Owner's operation. Where interference with the Owner's operations becomes absolutely necessary, permission shall be requested by the Contractor not less than seventy-two (72) hours in advance.

Article 27. Undertakings by the Owner

The Owner agrees to obtain and pay for any permits, licenses and easements required for permanent structures or changes, and, to the extent practicable without interference with operations, to furnish the Contractor, free of charge, for its use during the construction, electricity, water, steam and compressed air required for construction purposes, at the voltage and pressure currently available at Owner's said plant, to a point adjacent to or within 100 feet of the site, but the Contractor will be required to make the necessary connections, provide approved shut-off and safety devices and furnish and install all temporary lines required to bring them to the point of use.

Article 28. Applicable Law

This contract shall be construed and enforced in accordance with the laws of the state where the work hereunder is to be performed.

Article 29. Technical Information

The term "technical information" as used in this Contract includes but is not limited to technical data, reports, models, drawings, specifications, operating manuals, designs, computations, formulas, apparatus, processes, patentable or unpatentable inventions and other engineering data. Contractor agrees to accept Owner's decisions as to whether any particular information is technical information or is technical information which has been made or conceived under this Contract.

It is understood that in the course of Contractor's performance hereunder Contractor may learn or have access to technical information of Owner. Contractor agrees that it and its personnel will keep in confidence all such technical information of Owner and that it and its personnel will not use or disclose the same without Owner's written consent, either during the term of this Contract or at any time thereafter.

Contractor agrees to disclose to Owner all technical information made or conceived by it or its personnel in performance, or resulting from performance, under this Contract. Contractor agrees that all such technical information made or conceived by it or its personnel shall become and remain the free and unrestricted property of Owner and that Contractor shall assign or cause the same to be assigned to Owner. Contractor agrees that it and its personnel will keep in confidence all such technical information made or conceived by Contractor or its personnel and that Contractor and its personnel will not use or disclose the same without Owner's written consent, either during the term of this Contract or at any time thereafter.

Contractor agrees, upon the request and at the expense of Owner, to make or cause its personnel to make applications for Letters Patent in such countries as Owner may designate on those of the aforesaid assigned inventions which Owner believes to be patentable; and to assign all such applications to Owner or its order; and to give Owner, its attorneys and solicitors all reasonable assistance in preparing such applications, and in prosecuting such applications in the patent office or offices involved and in defending and enforcing any patent that may be issued upon any such application; and to execute all papers that may be reasonably required in the prosecution of such applications or to vest in Owner or its assigns said inventions, applications and Letters Patent.

Article 30. Force Majeure

Neither party shall be considered in default in the performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered, or prevented by force majeure. Force majeure shall be any cause beyond the control of the parties hereto which they cannot reasonably have foreseen and guarded against. Force majeure includes but is not limited to, acts of God, labor disputes, financial crisis, fires, riots, civil commotions or civil unrest, incendiarism, interference by civil or governmental authorities, and acts of war (declared or undeclared).

Article 31. Entirety Clause

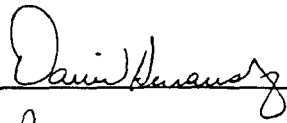
This Contract constitutes the entire agreement between the parties, and except as may be specifically set forth herein no changes can be made herein except by an agreement in writing duly executed by the parties or their duly authorized agents.

Article 32. Additional Provisions

None

IN WITNESS WHEREOF, the parties have executed this Contract the day and year first above written.

ACME ENVIRONMENTAL SYSTEMS
Contractor

By 
Title Project Manager

ASARCO Incorporated
Owner

By 
Title Manager

rec'd
11/14/97
Om

disqualify Bidder at bid opening. Disqualified Bidder shall be considered non-responsive and his bid shall not be recorded. This contract will not be awarded solely on lowest bid consideration, the submittal package and the unit prices shall be evaluated for the best responsive bidder.

A. Proof of Asbestos Abatement experience:

1. Documentation of at least 3 years experience using OSHA, EPA, 763 AHERA regulations (letters of recommendation will be accepted).
2. Name of contact person on at least one on going abatement project.
3. Notarized statement that offerer's firm or company performing work for the past three (3) years has not received any notice of violation regarding compliance with any applicable asbestos law. If notice of violation has been received by the offerer, circumstances involved should be described in the notarized letter for consideration by the Owner and its Consultant.

B. Proof of personnel qualifications, training and experience:

1. Submit Texas State Contractor License to be able to do asbestos abatement work in Texas.
2. Submit name of supervisor to be used on project. Submit his current medical, EPA approved supervisor training certificate, and Texas State License.
3. Submit name of every worker to be used on project. Submit his current medical, EPA approved worker training certificate, and Texas State License.

BID ITEM 1: Remove All asbestos containing THERMO Insulation from AREA-1 identified on the plans and specifications (please refer to drawing AA1). Price includes all work specified in the plans, specifications and any addendum.

Twelve Thousand Nine Hundred Twenty Dollars \$ 12,920.00

BID ITEM 2: Remove All asbestos containing THERMO Insulation from AREA-2 identified on the plans and specifications (please refer to drawing AA1). Price includes all work specified in the plans, specifications and any addendum.

Sixteen Thousand Seven Hundred Eighty Dollars \$ 16,780.00

BID ITEM 3: Remove All asbestos containing THERMO Insulation from AREA-3 identified on the plans and specifications (please refer to drawing AA1). Price includes all work specified in the plans, specifications and any addendum.

Five Thousand Four Hundred Dollars \$ 5,400.00

UNIT PRICES: Additive/Deductive Unit Prices for work described on the specifications for Asbestos Abatement at ASARCO Power House Basement. If a Deductive price varies from the Additive price than Contractor shall state so. BIDDER must submit unit prices. These unit prices shall be used to calculate any additions or deletions to this contract and will be used to make the final determination on the successful bidder.

ACM THERMO removal
glovebag procedure \$ 30.00 per EA Thirty Dollars Dollars per EA

(Title)

Phone (915) 757-1835



El Paso Plant

March 5, 1997

ASARCO INCORPORATED

EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

Asarco Incorporated's El Paso Plant has a long standing policy that its employment practices shall provide equal opportunity for all applicants without regard to race, color, creed, sex, age, national origin, handicap, disabled veteran or veteran of the Vietnam era.

We at Asarco Incorporated are ever mindful of our obligations and responsibilities to the communities in which we operate and to the nation as a whole. One of our chosen responsibilities is to insure equal employment opportunities for all without regard to race, age, color, creed, sex, national origin, handicap, disabled veteran or veteran of the Vietnam era.

Our hiring practices, promotions, and transfers at all levels of employment continue to be based on an individual's qualifications and ability to perform satisfactorily the job requirements with due regard to seniority, while furthering the principles of Equal Employment Opportunity.

Within Asarco Incorporated our management must provide the lead in establishing procedures to continue successfully administering this declared policy on non-discrimination. The effectiveness of this policy requires a high degree of cooperation on the part of all Asarco personnel, at every job level within the company. All supervisors are responsible for the continued promotion and enforcement of this policy throughout our organization, as well as maintaining a work environment free of unwarranted intimidation or hostility.

Mr. Lee Jurzec, Administrative Manager, will administer our Equal Employment Opportunity Program. I know he will have your close and active cooperation in this matter.



L. W. CASTOR

LWC:jkm

ADDENDUM "A"

Lead is present in varying concentrations at the site where the work under this contract is to be performed. Inhalation or ingestion of lead can result in chronic or acute lead poisoning, the latter of which can be fatal. The Contractor acknowledges that he has been fully warned of these health risks and that he has received a copy of the Material Safety Data sheets pertaining to lead. Prior to the commencement of work, the Contractor agrees to inform his employees and subcontractors, if any, of these risks; provide them with appropriate and complete safety instructions; distribute to each such employee a copy of the attached booklets describing safety precautions to be observed and stressing the health dangers from exposure to lead in general. Contractor further agrees that it shall require each of its employees and those employees of its subcontractors who shall be performing work under this Contract to (1) fully comply with federal OSHA regulations (including, but not limited to, the wearing of approved respirators and protective clothing) and such other regulations, laws, or ordinances as may be or become applicable at any time during the term of this contract and (2) permit Owner or any person designated by Owner to take such blood, urine or other specimens as may be deemed desirable by Owner to monitor exposure levels. Contractor shall remove from the job such person whose test, in Owner's opinion, exceeds acceptable levels. The terms of this paragraph are material to the performance of this Contract; any breach will allow Owner to terminate this Contract immediately. The Contractor will indemnify and hold Owner and its subsidiaries harmless from any claims, suits, actions, demands, proceedings, liability or damages of any character which arises or is alleged to arise out of Contractor's failure to comply with any provision of this paragraph, or the performance of any work under this Contract, including those brought against Owner and its subsidiaries for personal injury, property or other damages. This indemnity shall survive termination of the Contract.

CONTRACTOR SAFETY AND HEALTH GUIDELINES

PURPOSE

The intent of this program is to provide a uniform set of Safety and Health Rules for all contractors to follow.

As a general rule, all safety and health requirements applicable to Asarco, El Paso Plant employees apply to contractor employees. Plant management expects contractors performing work in the El Paso Plant, at a minimum, to implement standards and work practices (1990 Safety Manual included in package materials) that adhere to our safety and health requirements. *Compliance and enforcement of our standards and work practices, as well as those covered by Federal (OSHA regulations) and State law are mandatory. Failure to comply will result in penalties up to and including termination of the contract agreement.*

Many OSHA requirements (particularly those addressing health issues) are relevant to the El Paso Plant. Air contaminants, such as lead and arsenic, may exist in the ambient air as a by-product of smelting non-ferrous ores.

Contractors must know and adhere to OSHA standards:

29 CFR 1910.1018

29 CFR 1910.1025

29 CFR 1910.1200

Contractors are required to designate a safety and health representative or coordinator, who will meet with Plant Safety and Health representatives prior to the commencement of each project. Periodically, the respective parties will meet to discuss the project's progression. The contractor designee will function as the contact for the Plant's Safety and Environmental departments.

PROGRAM GOAL

To develop an awareness and understanding of contractor performance expectations with regard to Safety and Health issues while performing work at the El Paso Plant.

ISSUED APRIL 02, 1992 -2

PROGRAM OBJECTIVES

- A. The identification and elimination of all potentially life threatening situations.
- B. Compliance with Plant Safety and Health standards and work practices by all contractor employees.

ORIENTATION TIME

At a minimum 2 hours of in-classroom discussion and Plant site visit time is required to complete this program.

CONTRACTOR EMPLOYEE TRAINING

Contractors are required to train their employees on Safety/Health standards and work practices discussed in these orientation materials prior to initiating any project in the Plant. At a minimum they will receive training and instruction outlining specific responsibilities they must attend to while working in the Plant (specific sections follow):

- a. Personal Protective Equipment
- b. Health Protection
- c. Common Sense Precautions
- d. Medical and Facility Assistance
 - emphasis on emergency notification plan
- e. Energized Equipment Lock-out Policy
- f. Security
- g. Right to Inspect
- h. Hazardous Materials and Chemicals

The above applies to contractors who will be working in the Plant in a limited capacity for a short period of time. For contractors expecting to be in the Plant for an extended period of time, more than five working days, training will include a review of all materials provided in this program and materials intrinsic to the contractor safety program.

Undoubtedly, no set of written regulations or procedures, regardless of completeness, can provide for all situations, contingencies, or emergencies that

ISSUED APRIL 02, 1992 -3

may arise. Accordingly, contractor supervision is responsible for employing safe work practices through-out the project. Working together we can provide a work environment that is safe and healthy for everyone working in the Plant.

Contractor Trailer and Storage Trailer Requirements:

- A. Company Name must be displayed.
- B. Hand rails on stairways.
- C. Adequate number of fire extinguishers on hand.
- D. Hazard communication information posted.
- E. Daily housekeeping.

PERSONAL PROTECTIVE EQUIPMENT

Contractors will supply their employees with personal protective equipment that meets or exceeds the minimum OSHA standards. All mutually agreed to personal and protective equipment furnished by Asarco, El Paso Plant, will be cleaned and maintained on a daily basis by Plant personnel.

Asarco, El Paso Plant, Standards:

- | | |
|---------------------------------------|---|
| A. HARD HATS | ANSI approved (Z-89.1) hats or caps.
Aluminum headgear <u>is not permitted</u> . |
| B. SAFETY GLASSES | ANSI approved (Z-87.1) clear with side shields. No shade/tint glasses permitted.
No contact lenses are permitted in designated work areas. Note: Should your employee wear non-safety prescription glasses he will wear a pair of safety goggles (OSHA approved) over his glasses. |
| C. HEARING | Hearing protection devices, such as ear plugs or muffs, will provide protection that meets or exceeds OSHA standards. |
| D. WORK CLOTHES
(where applicable) | Plant operations will furnish, clean, and maintain issued cotton orange coveralls. |

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Contractors will be responsible for lost and damaged (due to negligence) coveralls.

E. RESPIRATORS

1. Plant operations will furnish, clean, and maintain issued MSA respirators and cartridges. Contractors will be responsible for lost or damaged (due to negligence) respirators.

2. Contractor employees will be fit tested by contractor to insure a proper face seal.

3. Beards are not permitted. Contractor employees using respirators must be clean shaven daily to insure proper face seal.

F. WORK GLOVES

Contractors will supply their own work gloves.

G. SAFETY SHOES

Safety toe shoes will meet OSHA minimum standards.

H. BURNERS

Welders will wear fire resistant gloves, leathers, fire retardant jackets (long sleeve) and required eye/face protection when welding.

I. SAFETY BELTS &
LANYARDS

ANSI approved and will be worn at all times in areas where the danger of falling exists. Workers must tie off i.e. secure themselves to a part of the structure they are working on or static line.

J. ACID SUITS

Required in designated areas or in area where the potential for contact with acid exists.

K. FACE SHIELDS/GOGGLES

Must be worn when working with liquid metals, chemicals, or when safety glasses do not provide adequate protection.

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NOTE: The above standards are not all inclusive. Should a problem or situation arise that is not covered above please contact the Plant Safety representative immediately.

HEALTH PROTECTION

General - the smelting of non-ferrous ores could result in air contaminants that may be potentially damaging to human health. The El Paso Plant has extensive controls to minimize these air contaminants. It is possible these checks and balance systems may malfunction or contractor employees may be working in an area where controls are not feasible. For these reasons contractors must emphasize to employees that their prime means of protection is proper respirator use. The contractor must develop and present to their employees, a health program designed to address proper respirator use. Any questions on proper respiratory protection should be referred to the Plant Environmental Scientist telephone number 541-1895 or in-plant extension 895.

Biological Monitoring - involves the analysis of body fluids, such as blood and urine, to determine the concentration of contaminants present in the body. For those contractors working in restricted areas for an extended period of time, biological monitoring is a good check on proper respirator use by your employees. Therefore, Plant management reserves the right to require contractors to conduct biological monitoring. At a minimum contractors will be required to sample prior to the initiation of an extended project; and as needed, periodic sampling through-out the project. Coordination of biological monitoring will be done with the Plant Environmental Scientist at telephone number 541-1895 or in-plant extension 895.

If a contractor employee exceeds the Plant allowable lead or arsenic limits in blood and/or urine, the Plant Environmental Scientist will be notified by the contractor. The contractor will be required to take the action needed to correct the situation.

Food & Tobacco Products - consumption of food products or chewing of gum, smoking or chewing of tobacco products, and drinking of beverages/water is prohibited in the Plant except in designated areas. Food stuffs, drinking

ISSUED APRIL 02, 1992 -6

fluids, gum, tobacco products, prescription drugs, etc. will be left in designated areas such as lunch or change rooms furnished by Asarco.

COMMON SENSE PRECAUTIONS

A. All hazardous or potentially hazardous conditions created or identified by contractors will be eliminated immediately. If it is not feasible to neutralize the situation, *provided it is not a life threatening condition*, barricades, signs, and/or label tape will be put in place prior to departing the affected area.

B. Alcohol and firearms are prohibited on Plant property.

C. Do not use compressed air lines to blow down your clothing or clean work areas.

D. Heat stress - all workers will know the symptoms, as well as the causes, treatment, and prevention of heat stroke and exhaustion. Symptoms may be due to a combination of high heat, humidity, low air movement, tyvek suits or job conditions.

E. Air Contaminants - all regulated areas are marked throughout the Plant by posted signs and/or florescent orange (painted) square markings. Respirators must be worn in all regulated areas.

F. Contractor employees will notify the site supervisor of any exposed electrical contact points not previously identified.

G. Employees will not ride crane hooks, headache balls, or climb/descend steel columns.

H. When working overhead, a warning sign must be posted in a visible location and the area barricaded if necessary. Tools and materials will be secured to prevent them from falling below where they may cause an accident.

I. Welding and cutting equipment - inspect all hoses and gauges before use. Separate by a minimum of 20 feet or a fire wall with a burn rate of 1 hour. Fire fighting equipment must be provided and available in the work area prior to welding or cutting.

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J. Compressed oxygen and fuel cylinders (tanks) must be kept upright and secured, with the regulator and valve caps on at all times. Hoses will be gathered and arranged accordingly to eliminate tripping or other hazards.

K. All tools and equipment must be physically inspected for damage. Those found to be unsafe will be taken out of service for repair. Power tools will not have a lock on switch, and must be grounded. Requirements for compliance can be found in the National Electric Code book, sections 210-7(C), 250-45, 250-59, and 305-2(D).

L. Excavations - all excavated fill will be kept a minimum of three feet away from the hole. An access/egress ladder must be kept in the hole any time an employee is working in the hole. The perimeter of the hole will be barricaded and warning lights used at night.

M. Ladders - must be the proper size for the job to be performed and equipped with safety shoes. Inspect each ladder for damage before using it. Do not use a ladder that is broken or shows signs of fatigue! Take it out of service. Single section ladders will not exceed 30 feet. Two section ladders will not exceed 48 feet and no ladder will exceed 60 feet in length. Extension ladders will be tied off and secured against a stationary rest. Ladder incline - for every 4 feet of ladder height, the base will be inclined at 1 foot intervals. Ladders should extend no more than 3 feet above contact point. When climbing or descending ladder use both hands.

N. Scaffolds - must be set up by qualified personnel only. The appropriate scaffold sills, posts and base plates must be used. Braces will be fastened securely. All stages or planks must have guard rails, mid rails and toe boards on all open sides. Planks will be cleated in accordance with OSHA regulations.

O. Housekeeping must be done on a daily basis.

P. Confined Space - OSHA has finalized regulations on working in confined spaces. See Peggy Munsell in the IH department with any questions. When assigned work in a confined space, a full scope of work for the project must be completed with a detail of all potential hazards. A

ISSUED MARCH 1, 1995 - 8

combination of ventilation and/or forced air breathing apparatuses may be required while working in some confined space areas. Testing the ambient air will assist in making this determination. Proper apparel must be worn to protect body parts. Last but not least, use the **buddy system**. Under this system, one employee stands by outside of the confined area dressed in full protective gear ready to assist in the event of an emergency.

Q. Protective gear will be worn at all times while working in the Plant. In addition you will:

1. Avoid wearing loose fitting or ragged clothing.
2. Not use greasy, soiled, or contaminated clothing.
3. Wear full length sleeves on all hot metal jobs.
4. Net or curl all long hair so that it fits under your hard hat.
5. Do not wear finger rings, bracelets, earrings, loose or dangling jewelry in the work place.

R. Guards, safety devices, and limit switches must be in place and operational before using any equipment.

S. Use the appropriate device to block equipment being repaired. Never depend on hoist or chain blocks to do the job.

T. All flammable chemicals will be contained and sealed in properly marked containers, and stored in an OSHA approved cabinet.

U. Hand Tools - proper use of hand tools is simple. It involves using them for the purpose for which they were designed.

V. Do not remove guards or safety devices to operate any equipment.

W. Mobile Heavy Equipment - has the right away. In addition:

1. Equipment with restricted views to the rear must have a back up warning devices installed and functional.
2. Operators must use installed seat belts while operating equipment.
3. Do not exceed lifting capacities of the equipment.
4. Rigging chains will have lift capacity and last inspection date prominently displayed.
5. Use hooks with safety latches only.

ISSUED APRIL 02, 1992 -9

6. When using man lifts fall protection must be in place through-out the project. Safety inspection checklists must be used and maintained relative to the condition of lift equipment (see item 8).

7. The Plant's Engineering and Safety representatives will be notified immediately of equipment damage incidents and injury claims by contractor employees. Copies of investigation reports and "Texas State Employer's First Report of Injury (TWCC - 1 form)" report will be provided to the Safety representative. Evaluation of these reports may prompt further investigation if deemed necessary.

8. Heavy Equipment - will be inspected at the beginning of each shift to insure safe operating condition. Operators must complete the "operator inspection card." Heavy equipment found to have defects will not be put into service until corrected.

X. Light Duty Vehicles - will be inspected at the beginning of each shift to insure safe operating condition.

ISSUED APRIL 02, 1992 -10

ASARCO

El Paso Plant

April 29, 1996

TO: ALL ON-SITE CONTRACTORS

WASTE HANDLING

All hazardous and nonhazardous waste must be managed in accordance with all current applicable safety and environmental regulations. It is the responsibility of each contractor to provide and maintain acceptable labels on each of their waste containers in the Plant. At the completion of the project it is the responsibility of each contractor to remove all waste containers and waste materials associated with the project from Asarco's property.

Please contact Mr. Joe Baca (541-1895) at the environmental office with any questions.

Carl Glaser
Plant Engineer

ASARCO ELP 0010933



El Paso Plant

March 5, 1997

**TO: ALL CONTRACTORS AND GENERAL CONTRACTORS PERFORMING
SERVICES ON ASARCO EL PASO SMELTER PROPERTY**

**COMPLIANCE WITH OSHA AND ASARCO SAFETY,
OR PERSONAL PROTECTIVE EQUIPMENT REGULATIONS**

Under regulations established by the Occupational Safety and Health Administration, the use of specific personal protective safety devices and the adherence to safe work standards designed to ensure the health and safety of workers, is an absolute requirement. In addition to ensuring that its own workers are properly protected and that they follow all of the safety standards established for their protection, companies have an obligation to inform all contractors performing work on the company's property of hazards which may be present, safe work standards used at the company's location, and to enforce company safety regulations, as well as the use of all personal protective equipment required for working within the company's facilities. Failure on the part of a company to comply with the aforementioned could result in heavy fines and penalties. Contractors working at another company's location are required to adhere to that company's safety standards and regulations. This requirement is also mentioned in Asarco's contract agreements with outside contractors.

To assist you in understanding our safety requirements and in providing proper safety related instructions for your workers, our Safety Engineers provide an orientation which outlines our safety program. Further, we can provide contract workers with much of the personal protective safety devices that they will be required to use while performing work at our plant. Therefore, we must insist that all contract workers use these devices in accordance with our safety regulations, and follow our safety rules and regulations at all times.

Our managers and supervisors have been instructed to warn contract workers whenever they are in violation of safety rules, and record these violations. If these violations continue to occur, indicating an unwillingness on the part of a contractor's workers to cooperate with our regulations, the contractor will be required to remove their workers from our plant properties.

ASARCO ELP 0010934

- 2 -

I hope that all of you can understand and appreciate the importance of these issues, and inform your workers of the need to adhere to our policies. If you have any questions regarding this matter, please feel free to contact me or our Safety Department for further information.



L. W. CASTOR
Unit Manager

LWC:jkm

ASARCO

El Paso Plant
L. W. Castor, Unit Manager

March 27, 1997

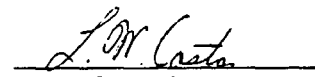
To: All Contractors

From: Mr. L. W. Castor, Unit Manager

All companies, contractors and contractor agents performing work on ASARCO El Paso Plant property need to be aware that English is the primary language spoken at this facility. All ASARCO employees are required to be able to read, write, and speak the English language with sufficient comprehension to understand all job related instructions, including safety and health rules or regulations, as a condition of their employment.

The employees of contractors working on ASARCO Plant property are, by law, required to observe all of our plant's safety rules or regulations while working at our facility. They must also be able to comprehend any instructions given during their orientation to our plant or given by any of our authorized management personnel during those times when they are performing their jobs. Although it is not ASARCO's intention to alter any other company's hiring guidelines, we are advising all contractors that we reserve the right to remove or reject any employee working on our property, regardless of who their employer of record is, if we believe that they are incapable of meeting our standards for the comprehension of verbal or written instructions that involve issues of safe work practices on our property.

Any questions regarding this policy should be directed to the ASARCO El Paso Plant Administrative Manager.


L. W. Castor
Unit Manager

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document A310

Bid Bond #211686

KNOW ALL MEN BY THESE PRESENTS, that we

ACME Environmental Systems
El Paso, TX

(Here insert full name and address or legal title of Contractor)

as Principal, hereinafter called the Principal, and

Credit General Indemnity Company
1200 Walnut Hill Lane, Irving, TX 75038

(Here insert full name and address or legal title of Surety)

a corporation duly organized under the laws of the State of Texas

as Surety, hereinafter called the Surety, are held and firmly bound unto

ASARCO, Inc.

(Here insert full name and address or legal title of Owner)

El Paso, TX

as Obligor, hereinafter called the Obligor, in the sum of Two Thousand Dollars

Dollars (\$2,000.00),

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

(Here insert full name, address and description of project) ...

Asbestos removal from pipes

NOW, THEREFORE, if the Obligor shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligor in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligor the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligor may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

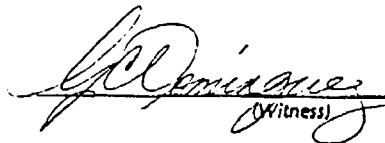
Signed and sealed this

4

day of

November

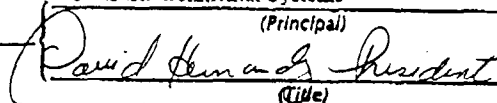
1997


(Witness)

ACME Environmental Systems

(Principal)

(Seal)

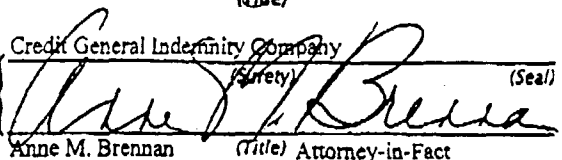

(Title) President


(Witness)

Credit General Indemnity Company

(Surety)

(Seal)


(Title) Attorney-in-Fact

SS

26

Credit General Indemnity Company

211686

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Credit General Indemnity Company, organized and existing under the Laws of the State of Ohio does hereby nominate, constitute and appoint:

Anne M. Brennan and William J. Ballay and Michael J. Friedrich
of Chicago, Illinois

Its true and lawful Attorney(s)-in-Fact act to make, execute, attest, seal and deliver for and on its behalf and as its act and deed bonds or other writings obligatory in the nature of the bond on behalf of said Company, as surety, bonds, undertakings, and contracts of suretyship to be given to all obligees; provided, however, that no bond or undertaking or contract of suretyship executed under this authority shall exceed the amount of One Million Two Hundred Fifty Thousand and 00/100 Dollars (\$ ***1,250,000.00***).

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of Credit General Indemnity Company on February 1, 1991:

"RESOLVED, That any two officers of the Company shall have the authority to make execute and deliver a Power of Attorney constituting as Attorney(s)-in-Fact such persons, firms or corporations as may be selected from time to time.

FURTHER RESOLVED, that the signatures of such officers and the Seal of the Company may be affixed to any such Power of Attorney or any certificate relating thereto by facsimile; and any such Power of Attorney or certificate bearing such facsimile signatures of facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN WITNESS WHEREOF, The Credit General Indemnity Company has caused its corporate seal to be hereunto affixed, and these presents to be signed by two duly authorized officers this 13th day of January, A.D. 1994.

CREDIT GENERAL INDEMNITY COMPANY



By: _____

Robert J. Lucia, President

By: _____

Gregory A. Fazekash, Executive Vice President

THE STATE OF OHIO
CUYAHOGA COUNTY

On this 13th day of January, A.D. 1994 before me personally came Robert J. Lucia and Gregory A. Fazekash, President and Executive Vice President, respectively, of Credit General Indemnity Company, to me known to be the individuals and officers described herein, and who executed the preceding instrument and acknowledged the execution of the same and being duly sworn, deposed and said that they are the officers of said Company as aforesaid, and that the seal affixed to the preceding instrument is the corporate seal of said Company, and that said corporate seal and signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of said Corporation, and that the resolution of said Company referred to in the preceding instrument is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at Cleveland, Ohio, the day and year above written.

LOIS A. GARBEL - Notary Public
State of Ohio - Cuyahoga County
My Commission Expires 2-18-98

Lois A. Garbel
Notary Public, State of Ohio

I, Barry W. Moses, Secretary of Credit General Indemnity Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney issued by Credit General Indemnity Company, and that the same remains in full force and effect and has not been revoked; and furthermore, that the Resolution of the Board of Directors, as set forth above, remains in full force and effect and has not been revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Beachwood, Ohio, this 4 day of November A.D., 97



Barry W. Moses, Secretary

UNIT PRICES: Additive/Deductive Unit Prices for work described on the specifications for Asbestos Abatement at ASARCO Power House Basement. If a Deductive price varies from the Additive price than Contractor shall state so. BIDDER must submit unit prices. These unit prices shall be used to calculate any additions or deletions to this contract and will be used to make the final determination on the successful bidder.

ACM THERMO removal \$ 5.25 per LF ~~Five Dollard and Twenty Five Cents~~ Dollars per LF
Full Containment

ACM Tank Removal \$ 5.25 per SF ~~Five Dollars and Twenty Five Cents~~ Dollars per SF

ACM THERMO removal glovebag procedure \$ 30.00 per EA ~~Thirty Dollars~~ Dollars per EA

Respectfully submitted:

Acme Environmental Systems
(Firm Name)

By *Wanda M. Kennedy* Secretary
(Authorized Signature) (Title)

Firm's Address: 3804 Volcanic Avenue
El Paso, TX 79904

Seal _____ Phone (915) 757-1835

rec'd
11/16/97
om

disqualify Bidder at bid opening. Disqualified Bidder shall be considered non-responsive and his bid shall not be recorded. This contract will not be awarded solely on lowest bid consideration, the submittal package and the unit prices shall be evaluated for the best responsive bidder.

A. Proof of Asbestos Abatement experience:

1. Documentation of at least 3 years experience using OSHA, EPA, 763 AHERA regulations (letters of recommendation will be accepted).
2. Name of contact person on at least one on going abatement project.
3. Notarized statement that offerer's firm or company performing work for the past three (3) years has not received any notice of violation regarding compliance with any applicable asbestos law. If notice of violation has been received by the offerer, circumstances involved should be described in the notarized letter for consideration by the Owner and its Consultant.

B. Proof of personnel qualifications, training and experience:

1. Submit Texas State Contractor License to be able to do asbestos abatement work in Texas.
2. Submit name of supervisor to be used on project. Submit his current medical, EPA approved supervisor training certificate, and Texas State License.
3. Submit name of every worker to be used on project. Submit his current medical, EPA approved worker training certificate, and Texas State License.

BID ITEM 1: Remove All asbestos containing THERMO Insulation from AREA-1 identified on the plans and specifications (please refer to drawing AA1). Price includes all work specified in the plans, specifications and any addendum.

Twelve Thousand Nine Hundred Twenty Dollars \$ 12,920.00

BID ITEM 2: Remove All asbestos containing THERMO Insulation from AREA-2 identified on the plans and specifications (please refer to drawing AA1). Price includes all work specified in the plans, specifications and any addendum.

Sixteen Thousand Seven Hundred Eighty Dollars \$ 16,780.00

BID ITEM 3: Remove All asbestos containing THERMO Insulation from AREA-3 identified on the plans and specifications (please refer to drawing AA1). Price includes all work specified in the plans, specifications and any addendum.

Five Thousand Four Hundred Dollars \$ 5,400.00