PLAINTIFF'S EXHIBIT

CEL-1577

ED-8469-KRH

March 13, 1950

Arthur Brothers
Kingsville, Texas

Attention: Mr. C.L. Arthur

Gentlemen:

We are attaching hereto fully executed copy of the labor agreement between you company and Celanese Corporation.

This is your file copy of this agreement.

Very truly yours,

A.C. Lederer
Plant Engineer

XXX:lpt
enc (1)

(Blind - cc: Mr. Bowen
Mr. Brennan
Mr. Wilson

Mr. Brennan
Mr. Wilson

Copies of this contract are being prepared for your files.

28131

Ref. 1

LABOR AGREEMENT
CONSTRUCTION AND RELATED WORK
CELANESE CHEMICAL PLANT, BISHOP, TEXAS

This Agreement made the first day of March, 19 50 by and between:

C.L. ARTHUR, C.M. ARTHUR AND R.V. ARTHUR, trading as ARTHUR BROTHERS, a partnership under the laws of Texas, with offices at Kingsville, Texas, (hereinafter known as the Contractor) and the

CELANESE CORPORATION OF AMERICA, a Delaware Corporation with a permit to do business in Texas and with executive offices at 180 Madison Avenue, New York 16, New York (hereinafter known as Celanese).

WITNESSETH: The Contractor and Celanese do mutually agree as follows:

ARTICLE 1: SCOPE OF WORK

Maint. Maj

1. The Contractor, under the direction of the Celanese Engineer, shall furnish within forty-eight hours after written request by Celanese all labor needed for the performance of construction and other related types of work to be performed at the Celanese Chemcel Plant located near Bishop, Texas.

do we do the?

1A. The various classifications of workmen to be furnished by the Contractor shall include, as required, carpenters, boilermakers, steel workers, welders, pipe fitters, painters, insulators, electricians, brick masons, machinists, riggers and other special crafts, together with necessary helpers, apprentices and common labor.

1B. Craftsmen, semi-skilled and common labor supplied by the Contractor shall be of comparable caliber to that normally employed by Haint Mop. Celanese for similar work. The Celanese Engineer shall in all instances be final judge of the capability of any workmen to measure up to the stipulated caliber of performance.

Question the statement?

Do we do this?

1C. Upon the request of Celanese at any time, the Contractor shall assist Celanese to test or qualify any employee prior to hiring.

What are we saying here?

2. It is understood and agreed that the Contractor is to act as and accept the responsibilities of an independent contractor and that all persons whom Celanese authorizes the Contractor to employ shall be and remain employees of the Contractor while engaged for the performance of authorized work. Further, the Contractor unequivocally agrees to assume all responsibility for injuries, loss or accident to such employees sustained in connection with their employment under the terms of this agreement.

3rd Party Cases

3. The Contractor shall, as requested by Celanese give the full benefit of his experience and influence in the solving of any problems which arise concerning the authorized work and in the rental or procurement of any essential special tools or equipment.

What do we mean here?

4. Celanese shall supply to the Contractor's employees for the performance of authorized work, tools and equipment similar to those generally provided Celanese employees of comparable work classifications. All tools and equipment supplied by Celanese shall remain Celanese property and shall be returned in good condition to their point of origin upon completion of the work.

Who pays for damage & loss

5. Celanese shall furnish trucks for transportation of only the Contractor's common labor. All craftsmen and semi-skilled workers shall furnish

Is the true?

28122

private transportation without any cost or obligation on the part of Celanese.

6. Celanese First-Aid facilities shall be made available to the Contractor's employees in only those emergency cases which are the direct result of accidents occurring on the site during authorized working hours.

what do we do here?

7. Celanese water and sanitary facilities shall be available to and used by the Contractor's employees.

ARTICLE 2: PERSONNEL REGULATIONS

what do we do here?

1. Physical examinations of Contractor's employees shall be made as required by Celanese and the cost will be borne by Celanese.

2. No lunches of any kind will be furnished directly by Celanese, but Contractor's employees will be permitted to use Celanese eating facilities the same as Celanese employees.

of? Lunches?

3. Contractor's employees will be admitted to the plant and permitted to remain in the plant only if badges and safety glasses furnished by Celanese are worn at all times. The Contractor shall be solely responsible for insuring that his employees abide by Celanese regulations governing badges and glasses.

4. Contractor's employees shall conform to all Plant working rules. Particular attention is called to the no-smoking rule and the carrying of fire producing devices, such as matches and lighters.

5. Contractor's employees shall utilize Celanese [illegible] clocking in and out.

6. Contractor's employees may utilize Celanese parking facilities, as authorized by the Celanese Engineer.

Plant Mgr.

7. Contractor's employees shall utilize safety clothing and equipment furnished temporarily by Celanese in accordance with the instructions of the Celanese Engineer, Manager

8. The Contractor, upon request, shall from time to time furnish Celanese with a current list of all contractor's employees' names and addresses, places and dates of birth and whether they are citizens of the United States or aliens. Celanese may at any time take photographs and fingerprints of all Contractor's employees. EEO ?

ARTICLE 3: STARTING AND COMPLETION DATES

1. The Contractor shall begin the work specified immediately, and be bound by the terms of this Agreement as long as Celanese requires the Contractor's services.

2. It is understood that time is of the essence and that the Contractor shall cooperate and act in every possible manner to complete all authorized work with a minimum of delay.

ARTICLE 4: COST OF WORK

1. Celanese shall pay actual costs incurred in performance of authorized work, subject to the terms and limitations of this contract as follows:

1a. Wages of only direct workers, and coordinator employed by the Contractor for performance of authorized work, provided permission for such employment at specified rates is given in writing by the Celanese

Do we request in writing each time?

Engineer to the Contractor, prior to such employment. No wage rate of any worker employed shall at any time be higher than the current Celanese Chemcel Plant rates for similar work.

1B. Wage rates shall be as follows:

Classification	Straight-Time Hourly Rate
A) Coordinator	$2.27
B) Common Labor	$0.93
C) Craftsmen, as enumerated in Article 1, Paragraph 1A of this Agreement	$2.02
D) Apprentices and Helpers	
E) Other classifications	As approved by the Celanese Engineer at the time of hiring.

2. The following items of expense shall not be included in the cost of the work:

A) Salaries of partners of ARTHUR BROTHERS.

B) Interest on capital employed or on money borrowed.

C) Expenses incurred in operation of main office of the Contractor, such as rent, accounting services, telephone service, general office stenographic, messenger and overhead expenses.

D) Expenses incurred in advertising for procuring and hiring personnel, preparing payrolls and paying of hired personnel and all related expenses.

E) All indirect payroll costs and taxes such as workmen's compensation insurance, pension payments and other contributions, unemployment insurance, liability and other insurance as specified in this Agreement.

F) The Contractor shall obtain approval of the Celanese Engineer prior to placing commitments for any item of expense not specifically provided for in this Article.

ARTICLE 5: CONTRACTOR'S FEE FOR PERFORMANCE OF SPECIFIED WORK

1. The Contractor's fee shall consist solely of twenty-one percent (21%) of the labor costs, as described in Article 4, Paragraph 1A of this Agreement for all straight-time hours worked. For the purpose of calculating the fee payable for straight-time hours worked hereunder, labor costs shall be exclusive of workman's compensation, unemployment insurance, liability insurance and all other costs except the actual amount earned as figured by multiplying hourly rates by total hours worked.

2. If overtime, or other than straight-time hourly wages are authorized and paid for work performed, the Contractor's fee with respect to the same shall consist of twenty-one percent (21%) minus a percentage equal to the decrease in percentage of indirect payroll costs (as described in Article 4, Paragraph 2E) which occurs when premium time is paid instead of straight time.

3. Out of such fee as provided in the two foregoing paragraphs, the Contractor shall pay all taxes, insurance, overhead, including that incurred at the site, and any other expenses which arise due to the work performed hereunder. Any balance remaining after all such payments are made shall be the Contractor's complete compensation for work performed.

4. The percentages stated in this Article and used to calculate the Contractor's fee shall not be changed regardless of change in scope or duration of work.

ARTICLE 6: PAYMENTS TO CONTRACTOR

1. Celanese will pay Contractor for the cost of the work as provided in Article 4 and the fee due in accordance with Article 5 upon

weekly applications for payment approved by Celanese. Such applications for payment shall be accompanied by certified payrolls of wages paid to Contractor's employees, all taxes paid on such compensation; a detailed statement of other payments made by Contractor which are authorized as chargeable to the work, and such other documents as Celanese may require. These statements shall be sent by Contractor to Celanese weekly to cover payments made by Contractor during the preceding week. Celanese shall pay the amount shown on such applications for payment, if proper, within two weeks after receipt thereof.

2. Prior to final payment, Contractor shall give Celanese a verified certificate that all bills and claims have been satisfied, and a release of all claims against Celanese arising under and by virtue of this contract. Final payment shall not be conclusive evidence of the performance of this contract by the Contractor either in whole or in part.

ARTICLE 7: LENGTH OF WORK WEEK

The normal work week shall consist of forty straight-time hours.

ARTICLE 8: HOURS OF WORK

The scheduled work day shall be from 7:30 a.m., until 12:00 noon and from 12:30 p.m. to 4:00 p.m.

ARTICLE 9: HOLIDAYS

The following holidays shall be observed during the year of 1950:

New Year's Day	Monday, January 2
San Jacinto Day or	Friday, April 21
Memorial Day	Tuesday, May 30
Fourth of July	Tuesday, July 4
Labor Day	Monday, September 4
Thanksgiving Day	Thursday, November 23
Christmas Day	Monday, December 25

ARTICLE 10: RECORDS AND AUDITS

1. The Contractor shall keep records and books of account showing the actual cost of all items of labor, and other expenditures of whatsoever nature for which payment is authorized under provisions of this contract.

2. Celanese shall at all times have access to the premises, work and materials, to all books, records, correspondence, instructions, plans, drawings, receipts, facilities and memoranda of every description of Contractor, except such documents as have been submitted in support of the weekly statements, and Contractor shall preserve such papers without additional compensation therefor for a period of three years after completion or termination of this contract.

ARTICLE 11: AUTHORIZED PERSONNEL

1. Celanese shall provide a competent Engineer authorized to [redacted] act in its behalf. The Contractor shall provide a competent Coordinator to act for him.

2. No representative of Celanese on site or elsewhere shall by reason of his duties or otherwise be presumed to have authority beyond that specifically set forth by Celanese in writing to Contractor.

ARTICLE 12: AUTHORITY OF CELANESE ENGINEER

The Celanese Engineer shall have power to direct the application of labor to any portion of the work which in his judgment requires it; and to decide questions which arise between the parties relative to the execution of the work.

ARTICLE 13: CONTROL OF SPECIFIED WORK

The Contractor shall perform each phase of the specified work only when authorized to do so by the Celanese Engineer and the Contractor shall conduct all authorized work in strict accordance with the directions of the Celanese Engineer.

ARTICLE 14: SUPERVISION AND LABOR ON THE JOB

14A. The Contractor shall employ upon all parts of the work only competent and trustworthy men. No labor shall be employed by the Contractor which, in the judgment of the Celanese Engineer, will not work in harmony with labor and mechanics employed by Celanese or other Contractors.

14B. The Contractor shall promptly remove from the work and the premises any coordinator or workmen employed upon the work who, in the judgment of the Celanese Engineer, may be detrimental to the best interest of Celanese.

ARTICLE 15: COMPANY DRAWINGS

All drawings, prints, and specifications and all copies thereof supplied to the Contractor by Celanese shall remain the property of Celanese and shall be delivered to Celanese on completion of the payment herein provided for, or upon cancellation of this Agreement.

ARTICLE 16: PROVISION FOR CANCELLATION

This agreement may be terminated at any time after the date hereof by Celanese or by the Contractor upon twenty-four (24) hours written notice, but it is contemplated that lay-off of Contractor's employees will be conducted in a reasonable manner.

ARTICLE 17: LIENS

1. The Contractor shall indemnify and save harmless Celanese from laborers' and mechanics' liens arising out of the work to be performed and materials furnished under this contract. In case any such liens are filed and/or claimed Celanese reserves the right to deduct or withhold from any monies due or owing the Contractor such amounts as may be necessary to pay the same. If any such liens are filed against the premises before or after completion and final settlement the Contractor shall reimburse and pay Celanese for same. The Contractor shall deliver completed work to Celanese free and clear from all liens or claims.

2. The Contractor shall give Celanese prompt notice in writing of any lien or other encumbrance put on the work or of any intent to take action which might encumber Celanese property, so far as the same may be known to the Contractor.

ARTICLE 18: LIABILITY FOR EMPLOYMENT AND ASSOCIATED TAXES AND PAYMENTS

The Contractor agrees to and hereby does accept full and exclusive liability for the payment of any and all contributions or taxes for unemployment compensation, old-age retirement benefits, pensions or annuities or other contributions or taxes, now or hereafter imposed by the Government of the United States or of any State or political subdivision in the United States, which are measured by the wages, salaries or other remuneration paid to persons employed by the Contractor or any sub-contractors engaged by him on work performed under the terms of this Agreement, on the premises of Celanese or elsewhere.

ARTICLE 19: COMPLIANCE WITH ORDINANCES AND LAWS

Contractor shall procure all necessary permits and licenses, observe and abide by all applicable laws (including labor laws), regulations, ordinances and other rules of the State of Texas and political subdivisions thereof, wherein the work is done, and any other duly constituted public authority, and shall observe and abide by all labor laws of the United States of America.

ARTICLE 20: INSURANCE

1. The Contractor shall for all operations under this Agreement and prior to starting work pay and supply Celanese with evidence thereof of the following insurance in triplicate copies with carrier or carriers acceptable to Celanese.

1A. Compensation insurance covering all employees engaged directly or indirectly in work hereunder in accordance with the Workmen's Compensation Act or the equivalent thereof of the State in which the work is to be performed.

1B. Public Liability insurance in the minimum amount of $100,000. for the injury or death of any one person in any one accident, and $500,000. for the injury or death of more than one person in any one accident.

1C. Comprehensive Automobile Bodily Injury Liability Insurance (including ownership; non-ownership; and hired car liability) in the same minimum amount required with reference to public liability insurance, and Comprehensive Automobile Property Damage Liability Insurance (including ownership; non-ownership; and hired car liability) in the amount of $50,000. per single accident and $50,000. aggregate.

10. Property Damage insurance in the minimum amount of $50,000. and covering damages to property resulting from negligence by Contractor, its agents, servants and employees in performing any work hereunder, and including damage to property caused by any negligent operation of Contractor's automotive equipment.

2. Any additional insurance requested by Celanese will be furnished at Celanese expense.

3. All policies of insurance shall be subject to the approval of Celanese, who may from time to time require that the policies of insurance cover risks of Celanese or of Contractor or both as their interests may appear. Celanese may, if it so elects, place any of the said insurance with carriers of its own selection and in its own name and nothing herein shall be construed to authorize the substitution by Contractor of other or additional policies of insurance covering risks insured by Celanese under existing policies or renewals thereof.

4. Contractor shall give prompt notice to Celanese of all losses, damages or injuries to persons or property of Celanese, of Contractor or of other persons and shall promptly report to Celanese all claims of which it has notice, whether relating to matters insured or uninsured. No settlement of any claim for loss, injury or damage or other insured matter as to which Celanese may be charged with obligation to make any payment or reimbursement shall be made by Contractor without the written approval of Celanese.

5. The Contractor shall indemnify and save harmless Celanese from all claims, suits or actions and damages and costs of every name and description to which Celanese may be subjected to by reason of injury to the person or property of another resulting from negligence or carelessness on the

28142

part of the Contractor, his employees, agents or sub-contractors in movement of equipment or supplies, or by or on account of any act or omission of the Contractor's employees, agents or sub-contractors, if any.

6. All insurance procured as required by this Agreement shall contain the following clause indicated by endorsement on the Certificate of Insurance:

> "It is agreed by the insuring company that if the herein described policies be cancelled during their term, 10 days written notice prior to such cancellation will be given to Celanese Corporation of America, Insurance Department, 180 Madison Avenue, New York 16, New York."

ARTICLE 21: DELIVERY OF NOTICES

All notices except those specifically required by this contract to be given to the Celanese Engineer, shall be given to Celanese at 180 Madison Avenue, New York 16, New York, U.S.A. All notices, except those specifically required by this contract to be given to the Contractor's Coordinator, shall be given to the Contractor at his office in Kingsville, Texas.

ARTICLE 22: ASSIGNMENTS

All covenants and agreements herein contained shall be extended to and be binding upon the successors and assigns of Contractor and Celanese but Contractor shall not assign this Agreement or any monies to become due hereunder, except with the written consent of Celanese.

ARTICLE 23: INTEGRATION

This agreement contains the entire agreement between the Contractor and Celanese. There are no previous or contemporary understandings,

representations or warranties not set forth herein. No subsequent modifications of this Agreement shall be of any force or effect unless in writing, signed by both the Contractor and Celanese.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written:

ARTHUR BROTHERS:

Witness:

Partner

Witness:

Partner

Witness:

Partner

CELANESE CORPORATION OF AMERICA

Witness:

Vice President