

EXXON COMPANY, U.S.A.

POST OFFICE BOX 4552 • HOUSTON TEXAS 77210-4552

ADMINISTRATIVE SERVICES DEPARTMENT
DOWNSTREAM PURCHASING AND NATIONAL AGREEMENTS

J. R. LAWLEY
MANAGER

Contract No.: ABTM02013X(0650)
Charge No.: Various

This Agreement (hereinafter referred to as "CONTRACT") is entered into this 31st day of August 1987, by and between Exxon Company, U.S.A. (a division of Exxon Corporation), Baytown Refinery, whose address for purposes hereof is 2800 Decker Drive, Baytown, Texas 77520 (hereinafter referred to as "EXXON") and BROWN & ROOT U.S.A., INC., whose address for purposes hereof is P. O. Box 4060, Baytown, Texas 77522-4060 (hereinafter referred to as "CONTRACTOR");

WITNESSETH: That in consideration of the covenants and agreements set out herein and the payments provided for herein, EXXON and CONTRACTOR agree as follows:

1. Description of Services

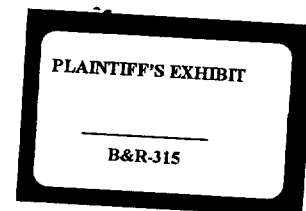
A. Scope

CONTRACTOR maintains it has experience and specialized knowledge in the field of miscellaneous turnaround and construction work and agrees to provide the necessary supervision, personnel, crews, tools, equipment (furnished and maintained at CONTRACTOR's expense), materials, and support facilities to properly perform maintenance services (hereinafter referred to as "SERVICES") as specified, when and as requested by EXXON.

B. Specifications and Assignments

- (1) SERVICES performed under CONTRACT shall be in accordance with general Specifications and Exhibits listed below and specific Releases as may be made pursuant to Paragraph 1B(2):

<u>Designation</u>	<u>Title</u>	<u>Date</u>
Specifications	Specifications for Miscellaneous Turnaround and Construction-Type Work	March 10, 1987
Exhibit A	Miscellaneous Turnaround and Construction-Type Work	May 11, 1987
Exhibit "C"	Consumable Supplies	March 10, 1987
Exhibit D Rev. 1	Compensation for Contractor's Services	May 11, 1987
Exhibit "G"	Respirator Fit Policy and Application Contractor Responsibilities	July 19, 1982



<u>Designation</u>	<u>Title</u>	<u>Date</u>
Exhibit "I"	Baytown Refinery's Hazard Communication Program	April 3, 1985
Exhibit J	Accepted Manufacturers	October 16, 1986
Exhibit L	Controlled Substance and Drug Abuse Policy for Contractors	September 19, 1986
Exhibit M	Alcohol Policy for Contractors	November 26, 1986
Exhibit O	Field Practices Manual	January 12, 1987
Exhibit P	Issuance and Retrieval Guidelines for Exxon Issued Contractor Identification Badges	January 12, 1987
Exhibit Q	Approved Vendor List	March 25, 1987
Exhibit R	Approval for Subcontracting Services on Release No. _____	April 14, 1987

- (2) SERVICES hereunder shall be undertaken by CONTRACTOR only upon receipt of a request from EXXON's designated Representatives (hereinafter referred to as "REPRESENTATIVE"). Each request (hereinafter referred to as "RELEASE") shall delineate the specific SERVICES to be performed under each RELEASE.

Acceptance of such RELEASES by the CONTRACTOR shall constitute a contract between EXXON and CONTRACTOR for the performance of described SERVICES under the terms and conditions of this CONTRACT. The "SERVICES," "Specifications," and plans as used hereafter in this CONTRACT means the SERVICES described in each RELEASE and any specifications and plans issued in connection therewith.

C. Term

This CONTRACT shall be effective as of September 1, 1987, and shall remain in full force and effect through August 31, 1989; provided, however, it may be terminated at anytime in accordance with the provisions of paragraph 25 hereof. This CONTRACT may be extended for specific periods of time by written change order to this CONTRACT, accepted by both parties in writing.

D. Coordination

- (1) The REPRESENTATIVE shall coordinate various field-related work requirements and make specific assignments under CONTRACT to CONTRACTOR for SERVICES to be performed.

- (2) The REPRESENTATIVE or his designee will review and approve all time sheets for labor and equipment and sign the material verification sheets daily.
- (3) Each specific assignment shall be identified separately with applicable time, equipment, and material invoices. The REPRESENTATIVE will provide Exxon charge codes related to each assignment.
- (4) In the event CONTRACTOR performs and/or subcontracts lump-sum work and time-and-material work at the same time at the same site (Refinery, Plant, or Chemical Plant), CONTRACTOR shall notify Exxon's REPRESENTATIVE(S), providing a detailed description of CONTRACTOR's plans to separate such services in the field, (e.g., personnel, equipment, materials, and their cost). Such work, in other than emergency situations, should be performed using separate personnel and equipment clearly identifiable by unique identification badge, hard hat or equipment decal or other means so as to be readily distinguishable as work not performed under this CONTRACT.

2. Costs and Terms of Payment

- A. EXXON agrees to pay CONTRACTOR as reimbursement for cost and fees in accordance with (1) the pricing schedules, Exhibit "D," attached hereto and made a part hereof, or (2) in accordance with specific reimbursement terms as identified in each RELEASE.

B. Invoicing

Invoices shall be submitted in accordance with Baytown Job Instruction BTJI 50-6-6 entitled "Invoicing for Cost-Plus Contracts Instructions." The invoice shall set out separately the amounts chargeable to each RELEASE and shall identify the CONTRACT number and charge number specified by REPRESENTATIVE on each RELEASE. Invoices shall be submitted to Exxon Company, U.S.A., Accounts Payable, P. O. Box 4646, Houston, Texas 77210-4646, and shall become due and payable thirty (30) days after receipt but shall be subject to the provisions of paragraph 5A hereof at EXXON's discretion.

For SERVICES performed on a cost-plus or time-and-material basis, invoices shall be supported by (1) the original copy of daily time sheets for labor and equipment signed in ink by CONTRACTOR and REPRESENTATIVE or his designee, (2) copies of vendors' and subcontractors' invoices for materials, rental tools, and equipment which are billable to EXXON's account. Time sheet forms, as described in the Specifications, will be furnished by EXXON for CONTRACTOR's use.

Any materials CONTRACTOR purchases on a reimbursable cost-plus basis, which materials become an integral part of the completed facility, shall be purchased tax free by CONTRACTOR and resold to EXXON. EXXON will accrue and pay all Texas use tax on such materials under its Direct Payment Exemption Certificate 30001650008. CONTRACTOR understands and agrees that EXXON's responsibility for accruing state sales or use tax is limited to materials which become a permanent part of the facility. CONTRACTOR shall be responsible for state sales or use tax on all other materials and supplies consumed (e.g., consumable supplies and small tools, etc.) and including tax on any materials purchased by CONTRACTOR as required in performing any lump-sum units of work (e.g., fixed price, fixed rates, and unit prices which include both labor and material in the unit).

CONTRACTOR-owned equipment furnished by CONTRACTOR on a time-and-material basis shall be operated by and under the control and supervision of CONTRACTOR in performing SERVICES. Invoices for such CONTRACTOR-owned equipment shall show the word "services" and not indicate "rental."

3. Drawing and Specifications

All drawings, designs, and other written documents supplied by EXXON to CONTRACTOR shall remain the property of EXXON and shall be returned to EXXON upon completion of the SERVICES and CONTRACTOR may not, without written approval of EXXON, retain any copies of said documents.

All drawings, specifications, requisitions, purchase orders, and other pertinent documents prepared by CONTRACTOR or its subcontractors pursuant to this CONTRACT shall become the property of EXXON and may be used by EXXON for any purpose.

4. Satisfaction of Claims

CONTRACTOR agrees to pay off and satisfy all claims for labor, equipment, rentals and material employed or used in anywise by it in connection with the SERVICES performed hereunder, and to permit no liens of any kind to be fixed upon or against the property of EXXON by CONTRACTOR's laborers, mechanics, or materialsmen, and agrees to indemnify, defend, protect, and save EXXON harmless from and against all such claims and liens.

5. Performance -- Completion and Acceptance

- A. CONTRACTOR agrees that upon the completion by it and acceptance by EXXON of the SERVICES herein contracted for it will, for each RELEASE, furnish EXXON with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by EXXON to CONTRACTOR within 30 calendar days after receipt of final invoice, subject, however, to the right of EXXON to withhold payments in accordance with

the provisions of Article 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provisions of applicable law. Payment pursuant to the terms of this paragraph shall not preclude the right of EXXON from thereafter disputing any of the items involved.

8. CONTRACTOR agrees that in the event any lien or liens are fixed or attempted to be fixed, secured, or claimed against EXXON or EXXON's property by any person, firm, corporation, artisan, laborer, mechanic, or subcontractor who furnished services or materials in connection with the performance of this CONTRACT, CONTRACTOR will within ten (10) days following notification by EXXON that such lien or liens have been fixed or attempted to be fixed, secured, or claimed, furnish EXXON a bond in an amount equal to twice the value of the lien or liens. Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. CONTRACTOR further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. CONTRACTOR further agrees that the giving of such bond shall be in addition to any other rights of EXXON or obligations of CONTRACTOR under this CONTRACT and shall in no way be construed as abrogating or qualifying such rights and obligations.

6. Guarantees and Warranties

CONTRACTOR (a) guarantees and warrants all material and equipment fabricated by it against defects and agrees to replace, without cost, to EXXON, any such material or equipment which may become defective within one (1) year from EXXON's acceptance of the SERVICES. (b) guarantees its field workmanship and agrees without cost or charge to EXXON to replace or repair any defects in the SERVICES covered by this CONTRACT resulting from its field workmanship if such defects are reported to CONTRACTOR within one (1) year from date of EXXON's acceptance of the SERVICES; (c) will to the extent reasonably possible secure from the vendors of materials and equipment guarantees which are no less than the guarantees of CONTRACTOR set out in items (a) and (b) above and will to the extent reasonably possible, insure that these guarantees inure to the benefit of EXXON.

7. Taxes, Licenses, Fees, and Contributions

The CONTRACTOR agrees to and accepts full and exclusive liability for the payment of any and all contributions and taxes now or hereafter imposed by any federal, state, or local governmental authority which are imposed with respect to or measured by the wages, salaries, or other compensation paid by the CONTRACTOR to employees of the CONTRACTOR and to indemnify and save EXXON harmless against such liability.

If CONTRACTOR fails or refuses to pay or withhold any taxes or governmental charges, whether local, state, or federal, relating to the employees of CONTRACTOR or if CONTRACTOR fails or refuses to pay or withhold any such taxes or governmental charges, relating to employees of CONTRACTOR's subcontractors for which CONTRACTOR may become responsible, and EXXON may

be required or deems it necessary to pay such taxes or charges, CONTRACTOR agrees to furnish EXXON with information required to enable it to make the necessary reports and to pay such taxes or charges. CONTRACTOR agrees to reimburse EXXON on demand for all such taxes or governmental charges, including applicable interest or penalties thereon together with EXXON's costs incurred in making such payments, which CONTRACTOR fails or refuses to pay and which EXXON may be required or deems it necessary to pay. In addition, EXXON, at its election, is authorized to deduct from any payment due CONTRACTOR under this or any other contract all sums paid for taxes, governmental charges, and interest and penalties thereon.

8. Health, Safety, and Security

- A. CONTRACTOR shall provide a safe place to work for its employees and hereby agrees that, prior to commencement of SERVICES, CONTRACTOR will inspect the work site and ascertain whether any health or safety hazards exist which would require the use of personal protective equipment or special operating practices in order to provide CONTRACTOR's employees with a safe place to work. CONTRACTOR shall notify his employees and subcontractors of all health and safety hazards to which they may be exposed and shall supply his employees with all necessary personal protective equipment and enforce such operating practices as are necessary to provide a safe place to work.

Should CONTRACTOR encounter conditions at the work site that indicate its employees are potentially exposed to unsafe conditions, hazardous substances, or materials, CONTRACTOR will immediately bring this fact to the attention of EXXON and CONTRACTOR shall supply CONTRACTOR's employees with all necessary personal protective equipment and enforce such operating practices as are necessary to provide a safe place to work. CONTRACTOR shall furnish its employees, at all times, with any necessary protective clothing and equipment to avoid any harmful exposure at the work site. EXXON will make available (if it has not already done so) to CONTRACTOR material safety data sheets in Exxon's possession on known toxic and hazardous substances to which Contractor's employees are likely to be exposed while performing SERVICES.

- B. CONTRACTOR shall comply with all safety and health standards and regulations promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970 as well as any other applicable federal, state, or local health and safety standards, laws or regulations. In addition, CONTRACTOR shall comply with any health and safety rules furnished to CONTRACTOR in writing by EXXON. Such rules shall be considered a part of this CONTRACT. Before starting SERVICES under this CONTRACT, CONTRACTOR shall communicate such health and safety rules to all CONTRACTOR's employees prior to the commencement of SERVICES and shall require compliance with these health and safety rules by its employees during the performance of SERVICES. Neither compliance with these safety rules and regulations by CONTRACTOR nor EXXON's approval of any actions or procedures of CONTRACTOR as provided therein shall relieve CONTRACTOR of its obligations to always use due care in performing SERVICES hereunder.

- C. CONTRACTOR shall comply with all of the terms and conditions contained in Exxon's publication entitled "Contractors' Responsibilities for Safety, Plant Security and Traffic Regulations," dated July 1986, said publication being made a part of this CONTRACT by reference. EXXON will furnish copies of this publication to the CONTRACTOR. The rules and regulations contained in the "Contractors' Responsibilities for Safety, Plant Security and Traffic Regulations," shall apply to all subcontractors and their employees as well as the CONTRACTOR and its employees. Before starting SERVICES under CONTRACT, CONTRACTOR shall obtain from EXXON copies of these regulations. CONTRACTOR shall notify its employees, its subcontractors, and the employees of its subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and CONTRACTOR shall not allow any of such persons to begin SERVICES inside EXXON's facility until such notification has been given them.

Said "Contractors' Responsibilities for Safety, Plant Security and Traffic Regulations," are designed as minimum requirements for CONTRACTOR and CONTRACTOR shall take any additional precaution necessary or proper under the circumstances to prevent injury or death to persons or damage to property.

- D. CONTRACTOR shall immediately notify EXXON of any injury to, or fatality of, employees of the CONTRACTOR or its subcontractors and shall submit a written report to EXXON within 24 hours of the incident.

9. Tools and Equipment

If EXXON loans or furnishes tools or equipment to CONTRACTOR for use in connection with the SERVICES contracted for hereunder, CONTRACTOR agrees:

- A. To inspect said tools and equipment and make its own determination before commencing SERVICES that such are adequate for the safe and efficient performance of the SERVICES by CONTRACTOR.
- B. That such tools and equipment will be loaned or furnished by EXXON and accepted by CONTRACTOR without warranty or representation by EXXON as to their condition.
- C. To return such tools and equipment to EXXON at the conclusion of such use in as good condition as when received, ordinary wear and tear excepted.
- D. To indemnify and hold EXXON harmless from all claims, demands, causes of action, damages, and injuries resulting from CONTRACTOR's use of said tools or equipment.
- For purposes of this paragraph, tools and equipment may include, but not be limited to, scaffolds, lighting or illumination equipment, and all other type of apparatus, facilities or services which EXXON may loan or furnish.

10. Applicable Law

This CONTRACT shall be governed and interpreted according to the laws of the State of Texas and no right or remedy given to EXXON or CONTRACTOR herein shall be construed to limit or exclude the rights and remedies available to either under Texas law.

CONTRACTOR shall comply and secure compliance by its subcontractors, with all federal, state, county, parish, and municipal laws and regulations in connection with the SERVICES to be performed hereunder; including, but not limited to, all safety orders prescribed by law and any rules and regulations applicable to environmental pollution. It shall be the duty of CONTRACTOR to ascertain whether the drawings and specifications are at variance with the law before starting SERVICES. If CONTRACTOR discovers any variance with the law in any drawings and specifications, it shall promptly notify EXXON in writing and the necessary changes shall be made before proceeding with the part of SERVICES affected. CONTRACTOR shall obtain all permits necessary for the prosecution of SERVICES, and shall give all required notices. Should CONTRACTOR violate any law or regulation relating to the performance of SERVICES, CONTRACTOR shall defend, indemnify, and hold EXXON harmless from any liability or penalty which may be imposed on EXXON by reason of any alleged violation of law by CONTRACTOR or its subcontractors and also from all claims, suits, or proceedings that may be brought against EXXON arising under, growing out of, or by reason of, SERVICES with respect to such alleged violations of law whether brought by employees of CONTRACTOR, by third parties, or by national or state governmental authority or any political subdivision thereof.

11. Compliance with Specifications

Although CONTRACTOR shall provide its own representative(s) to supervise and inspect all materials and workmanship in performance of SERVICES hereunder, EXXON reserves the right at anytime, to inspect any part of the SERVICES, the materials to be used in the SERVICES, and the construction tools and equipment furnished by CONTRACTOR and its subcontractors for use in performing the SERVICES. Any materials or workmanship which EXXON considers unsatisfactory shall be removed and replaced at Contractor's expense. Neither inspection, waiving of inspection, nor acceptance by EXXON shall relieve CONTRACTOR of its obligation to furnish all materials and workmanship in accordance with specifications of each RELEASE.

12. Contract Changes

EXXON may, by written instructions or drawings issued to CONTRACTOR, require additional work and/or services directly in connection with or incidental to the SERVICES covered by this CONTRACT; and EXXON may, by such instructions or drawings, require CONTRACTOR to alter, change, accelerate, or omit any SERVICES covered by this CONTRACT. If EXXON requests any such additions, changes, alterations, accelerations or omissions which will affect the payment provisions referred to in paragraph 2, "Costs and Terms of Payment" above, CONTRACTOR shall submit to EXXON a proposed change for such items. If EXXON wishes to proceed in accordance with such estimate, EXXON shall issue to CONTRACTOR a CONTRACT Change Order describing the services to be added or deleted, the corresponding price addition or deduction or the form of reimbursement therefore.

The provisions of this CONTRACT, except as may be otherwise provided, shall apply to all such additions, changes, alterations, accelerations, or omissions as if they were embodied in the original drawing and specifications.

13. Distribution of Risks Between Exxon and Contractor

A. Contractor's Responsibility

- (1) CONTRACTOR shall be responsible for and shall hold EXXON harmless for loss of or damage howsoever caused to CONTRACTOR's or its subcontractors' tools and equipment and rented items which are used or intended for use in the SERVICES to be performed, and for any consequential, special or indirect damages, or loss of anticipated profits sustained by CONTRACTOR or its subcontractors, even if such loss or damage results from EXXON's negligence.
- (2) CONTRACTOR shall indemnify EXXON for loss of or damage howsoever caused to EXXON's property intended to be incorporated into or used in the SERVICES to be performed while in CONTRACTOR's care, custody or control until delivered to the work site, even if such loss or damage results from EXXON's negligence.
- (3) CONTRACTOR's responsibility to compensate EXXON for loss of or damage to EXXON's existing property which is in reasonable proximity of the work site or for any resulting consequential, special or indirect damages, or loss of anticipated profits sustained by EXXON shall not exceed the amount recoverable by CONTRACTOR or its subcontractors under the valid and collectible insurance carried by CONTRACTOR and its subcontractors, or the amount which would have been recoverable under such insurance if all conditions, requirements, and warranties imposed on the insured by the insurer are being or had been met. EXXON shall hold CONTRACTOR free and harmless from liability to EXXON for loss or damage exceeding the amounts so recoverable.

B. Exxon's Responsibility

- (1) EXXON shall be responsible for and shall hold CONTRACTOR harmless for loss of or damage howsoever caused to EXXON's property intended to be incorporated into or used in the SERVICES to be performed and located at the work site, even if such loss or damage results from CONTRACTOR's negligence.
- (2) EXXON shall indemnify CONTRACTOR for loss of or damage howsoever caused to CONTRACTOR's property intended to be incorporated into the SERVICES to be performed and located at the work site, even if such loss or damage results from CONTRACTOR's negligence.

Notwithstanding the foregoing, CONTRACTOR shall also be responsible and not compensated by EXXON for (i) any loss of money or securities in the care, custody or control of CONTRACTOR which are used or intended for use in performing SERVICES (ii) unexplained or mysterious disappearance of any property in CONTRACTOR's care, custody or control, or shortage of such property disclosed on taking inventory, or (iii) theft of property on the part of CONTRACTOR, its subcontractors or their employees.

C. Third Parties

- (1) EXXON and CONTRACTOR shall indemnify, defend, and hold the other harmless from claims, demands, and causes of action asserted against the indemnitee by any person (including, without limitation, CONTRACTOR's and EXXON's employees, CONTRACTOR's subcontractors and employees of such subcontractors, or any other third party) for personal injury or death or for loss of or damage to property and resulting from the indemnitor's negligence or willful misconduct hereunder. Where personal injury, death, or loss of or damage to property is the result of the joint negligence or willful misconduct of EXXON and CONTRACTOR, the indemnitor's duty of indemnification shall be in proportion to its allocable share of joint negligence or willful misconduct.

14. Insurance

- A. CONTRACTOR shall carry and maintain in force the following insurances in amounts and with companies satisfactory to EXXON.

- (1) Workers' Compensation and Employers' Liability

For all its employees engaged in performing SERVICES hereunder, workers' compensation and employers' liability insurance or similar social insurance in accordance with Law which may be applicable to said employees.

- (2) Comprehensive General Liability

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K 18 ~~Its normal and customary comprehensive general liability insurance coverage and policy limits of at least \$500,000 coverage, whichever is larger, for injury, death or property damage resulting from each occurrence.~~

- (3) Automobile Liability

Automobile liability insurance coverage and policy limits covering owned, non-owned and rented automotive equipment providing at least \$500,000 coverage for injury, death, or property damage resulting from each occurrence.

Nothing contained herein shall limit or waive CONTRACTOR's legal or contractual responsibilities to EXXON or others.

B. As an alternative and at EXXON's option and expense, EXXON may elect to furnish or to arrange for CONTRACTOR any part or all of the insurance required in 14A. If EXXON so elects, it shall notify CONTRACTOR and issue a Change Order therefore, and the CONTRACT price shall be reduced by the following amounts as appropriate:

(1) Workers' Compensation and Employers' Liability: \$N/A

(2) Comprehensive General and Umbrella Liability: \$N/A

(3) Automobile Liability: \$N/A

C. As an alternative and at EXXON's option and expense, EXXON may elect to furnish or to arrange for CONTRACTOR the insurance that CONTRACTOR carries or to assume the responsibility for any part or all of the property specified in 13A. If EXXON so elects, it shall notify CONTRACTOR and issue a Change Order therefore, and the CONTRACT price shall be reduced as appropriate.

D. Upon request, CONTRACTOR shall have its insurance carrier(s) furnish to EXXON certified copies of their insurance policies and insurance certificates specifying that no insurance will be cancelled or materially changed while SERVICES are in progress without thirty (30) calendar days' prior written notice to EXXON.

E. If CONTRACTOR subcontracts any part of the SERVICES, CONTRACTOR shall require its subcontractors to maintain insurance specified in the subcontracts, but shall not require subcontractors to carry insurance which would duplicate the coverage of the insurance carried by CONTRACTOR. If requested by EXXON, CONTRACTOR shall have its subcontractors furnish the same evidence of insurance required by CONTRACTOR.

F. CONTRACTOR and its subcontractors shall not commence the SERVICES until all of the insurance required of CONTRACTOR and its subcontracts are in force and the necessary documents, if requested by EXXON, have been received by EXXON.

15. Subcontracts and Assignment of Contract

CONTRACTOR shall secure EXXON's prior written approval as to any subcontract covering any portion of the SERVICES provided for hereunder. No such approval shall relieve CONTRACTOR from any of the obligations of this CONTRACT, and as between the parties hereto, CONTRACTOR shall be and remain liable as if no such subcontract has been made. No subcontract shall bind or purport to bind EXXON but shall contain a provision permitting assignment of the subcontract by CONTRACTOR to EXXON. CONTRACTOR shall not assign any of its rights or obligations hereunder, or any sum that may accrue to CONTRACTOR hereunder, without the written consent of EXXON.

16. Confidential Information, Patents, Copyrights
and Indemnities Regarding Intellectual Property

- A. CONTRACTOR agrees to hold in confidence all technical information disclosed to CONTRACTOR by EXXON or developed by CONTRACTOR hereunder, except:
- (1) Technical information which at the time of development by CONTRACTOR or of disclosure by EXXON to CONTRACTOR is in the public domain;
 - (2) Technical information which, after development by CONTRACTOR or after disclosure by EXXON to CONTRACTOR, becomes part of the public domain by publication or otherwise through no fault of CONTRACTOR; or
 - (3) Technical information which CONTRACTOR can show was in CONTRACTOR's possession at the time of CONTRACTOR's development hereunder or EXXON's disclosure to CONTRACTOR and was not acquired, directly or indirectly, from EXXON.
- B. CONTRACTOR agrees that CONTRACTOR will not, without the written permission of EXXON, use the technical information which CONTRACTOR is required to keep confidential under this CONTRACT for any purpose other than the accomplishment of SERVICES to be performed under this CONTRACT.
- C. CONTRACTOR understands that EXXON accepts no obligation of confidence with respect to any information disclosed to EXXON by CONTRACTOR under this CONTRACT unless specifically covered by a separate, written confidentiality agreement. In the absence of such separate confidentiality agreement, CONTRACTOR agrees that it will not place any restrictive notices on any document (including drawings) provided by CONTRACTOR to EXXON under this CONTRACT. Nevertheless, if CONTRACTOR does place such notices on such documents, EXXON is hereby authorized to nullify, obliterate, remove, or disregard any such restrictive clauses. EXXON shall be free to use or disclose any or all of the information contained therein to third parties without accounting to CONTRACTOR therefore.
- D. If CONTRACTOR or CONTRACTOR's personnel make any inventions, patentable or unpatentable, resulting from CONTRACTOR's activities under this CONTRACT, CONTRACTOR shall promptly disclose said inventions to EXXON in writing. Such inventions will include those conceived during the term of the CONTRACT or within two (2) years thereafter. Further, CONTRACTOR hereby assigns each such invention to EXXON. CONTRACTOR also shall require its employees to execute such papers as EXXON requests in connection with such assignment and in connection with the acquisition of letters patent, U.S. and foreign, on such inventions.
- E. If either party is made the subject of any claim or lawsuit based on the alleged infringement of any third-party patent, copyright or trade secret by reason of any aspect of the goods or services provided hereunder or the use by EXXON thereof, it shall promptly notify the other party thereof in writing. EXXON shall defend and indemnify

CONTRACTOR against such claims, demands, and causes of action based on the actual or alleged infringement of any such third-party right by CONTRACTOR only to the extent that CONTRACTOR's allegedly infringing conduct is expressly required by the specification or expressly required in writing by EXXON. This indemnity shall not extend to conduct of CONTRACTOR which is discretionary to CONTRACTOR. CONTRACTOR shall defend and indemnify EXXON against all other such claims, demands, and causes of action based on the actual or alleged infringement of any such third-party right. The indemnities set forth in this paragraph E shall include without limitation all penalties, awards, and judgments; all court and arbitration costs; attorneys fees; and other reasonable out-of-pocket costs incurred in connection with such claims, demands and causes of action. The indemnifying party shall have the right to control the defense of such litigation, and to settle or compromise all claims and lawsuits subject to its indemnity. However, the indemnifying party may not settle or compromise such claim or lawsuit without the written consent of the indemnified party if such settlement or compromise (1) requires the indemnified party to part with any right or make any payment not indemnified, or (2) subjects the indemnified party to any injunction. Subject to the foregoing, the indemnified party shall have the right, at its option and expense, but not the obligation, to retain advisory counsel to represent its interests in defending any such claim or litigation.

If any action results in an injunction against EXXON with respect to the goods or facilities provided pursuant to this agreement, CONTRACTOR agrees that it will, at its option and its sole expense, either (1) procure for EXXON the right to continue using the infringing subject matter, or (2) replace or modify the same so that it becomes non-infringing.

- F. CONTRACTOR agrees that all tracings, drawings, field notes, specifications, computer programs in whatever form, and any other documents developed by CONTRACTOR for EXXON pursuant to this CONTRACT shall be the property of EXXON. CONTRACTOR agrees that all such documents are works made for hire, or if they do not so qualify, CONTRACTOR agrees to assign the copyrights in all such documents to EXXON.

17. Audit

Where CONTRACTOR performs any SERVICES on a unit-price, cost-plus or time-and-material basis, EXXON's REPRESENTATIVE shall have access, at all reasonable times, to all CONTRACTOR's and subcontractors' personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, financial accounts and memorandums of every description pertaining to SERVICES under CONTRACT for the purpose of auditing and verifying costs of SERVICES or for any other reasonable purpose upon prior notice to CONTRACTOR. CONTRACTOR is required to maintain supporting data and accounting records in accordance with generally accepted accounting principles. EXXON's REPRESENTATIVE shall have the right to reproduce any of the aforesaid documents. In the event lump-sum elements are included

under CONTRACT along with any cost-plus or time-and-material items, then audit rights shall also extend to include EXXON's access to all CONTRACTOR's and subcontractors' records pertaining to lump-sum Service for assurance that the portions of the SERVICES performed on a unit-price, cost-plus or time-and-material basis are not being charged with costs which are by their nature intended to be covered by lump sums. CONTRACTOR shall preserve and shall cause its subcontractors to preserve all the appropriate above-mentioned documents for periods of three years after the completion and acceptance or termination of SERVICES. CONTRACTOR agrees to include the necessary provisions in its contracts with such subcontractors that will assure access by EXXON's employees or representative to applicable records of such subcontractors. CONTRACTOR will not charge for its costs incurred with Audit.

Contractor's obligations under paragraphs 13, 16 and 17 of this CONTRACT shall survive any termination of this CONTRACT.

18. Conflict of Interest and Ethics

- A. (1) CONTRACTOR, in performing its obligations under CONTRACT, shall establish and maintain appropriate business standards, procedures and controls including those necessary to avoid any real or apparent impropriety or adverse impact on the interests of EXXON, Exxon Corporation or its affiliates. CONTRACTOR shall review with EXXON at reasonable frequency during performance of SERVICES, such business standards and procedures including, without limitation, those related to the activities of CONTRACTOR's employees and agents in their relations with EXXON's employees, agents and representatives, vendors, subcontractors and other third parties.
- (2) All payments by EXXON to CONTRACTOR will be received by CONTRACTOR for its own account and CONTRACTOR is not authorized to offer, give or promise any part of such payments, directly or indirectly, to any government official, political party or official thereof, or any candidate for political office.
- (3) CONTRACTOR shall exercise all reasonable care and diligence to prevent any actions or conditions which could result in a conflict with EXXON's best interests. This obligation shall apply to the activities of the employees, agents and subcontractors of CONTRACTOR in their relations with the employees of EXXON and their families and/or third parties arising from this CONTRACT. Such efforts shall include, but not be limited to, establishing precautions to prevent their employees, agents or subcontractors making, receiving, providing or offering any substantial gifts, extravagant entertainment, payments, loans or other considerations.
- B. CONTRACTOR agrees to comply with all laws and lawful regulations applicable to any activities carried out in the name of or on behalf of EXXON under the provisions of this agreement and/or any amendments to it.

- C. CONTRACTOR agrees that all financial settlements, billings, and reports rendered to EXXON, as provided for in this agreement an/or any amendments to it, will reflect properly the facts about all activities and transactions handled for the account of EXXON, which data may be relied upon as being complete and accurate in any further recordings and reportings made by EXXON, for whatever purpose.
- D. CONTRACTOR agrees to notify EXXON promptly upon discovery of any instance where the CONTRACTOR fails to comply with provisions A, B, and C above.

19. Force Majeure

- A. No delay or failure in performance by either party hereto shall constitute default hereunder or give rise to any claim for damages if, and to the extent, such delay or failure is caused by force majeure. Unless such force majeure substantially frustrates performance of CONTRACT, force majeure shall not operate to excuse, but only to delay, performance.
- B. Force majeure is an occurrence beyond the control and without the fault or negligence of the party affected and which said party is unable to prevent or provide against by the exercise of reasonable diligence including, but not limited to: acts of God or the public enemy; expropriation or confiscation of facilities; changes in applicable law; war, rebellion, civil disturbance, sabotage or riots, floods, unusually severe weather that could not reasonably have been anticipated; fires, explosions, or other catastrophes; strikes or any other concerted acts of workers; other similar occurrences.

20. Title

Title to all SERVICES, equipment, materials, supplies, and structures procured by CONTRACTOR, from third parties or supplied by CONTRACTOR, and intended, at the time of such procurement or supply, to be incorporated into, or incorporated in the SERVICES product of CONTRACTOR's SERVICES (excluding CONTRACTOR's tools, equipment, and rented items) shall pass to EXXON upon payment therefor by EXXON or upon delivery to EXXON's work site, whichever occurs earlier. Notwithstanding the foregoing, CONTRACTOR shall be deemed to have custody of the procured items until acceptance of SERVICES by EXXON.

21. Independent Contractor

CONTRACTOR in performing SERVICES hereunder shall be an independent contractor and not an agent or employee of EXXON. CONTRACTOR's SERVICES hereunder shall meet with the approval of EXXON's engineers or inspectors but the detailed manner and method of doing same shall be under the control of CONTRACTOR, EXXON being interested only in the result obtained, and such approvals or inspections shall not change the relationship of the parties, or relieve CONTRACTOR of its obligations to perform the SERVICES in a safe, efficient manner.

22. Entire Agreement

In the event there is a conflict between any of the provisions hereof and any of the proposals, general conditions, specifications, or any documents, agreements, or papers of any kind which have been incorporated herein by other provisions hereof, it is understood and agreed that the provisions hereof shall be controlling.

The CONTRACT constitutes the entire agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements related to this CONTRACT, either written or oral, including EXXON's invitation for proposals and CONTRACTOR's proposals, except to the extent they are expressly incorporated herein. No changes, alterations, or modifications to this agreement shall be effective unless in writing and signed by the parties hereto.

23. Notices

Any notice delivered personally to the other party's authorized representative, or any notice addressed to the other party at the address set out above and deposited in the U.S. Postal System with postage prepaid, shall be considered good and valid notice hereunder, effective from the date of mailing or personal delivery, as appropriate.

24. Assumption of the Services

CONTRACTOR agrees that if, in the opinion of EXXON, CONTRACTOR fails at any time during the performance of this CONTRACT to provide the labor, supervision, tools, equipment, or materials necessary for the prompt performance of the SERVICES herein contracted for, or should CONTRACTOR breach this CONTRACT in whole or in part or fail to use due diligence in the performance thereof, or should CONTRACTOR not be performing this CONTRACT in the manner herein provided, EXXON may, at its election and without prejudice to any other remedies available to it, take over that perform or obtain another contractor to take over and perform all or any part of the SERVICES then remaining unperformed. If EXXON should exercise such right, EXXON or its designee shall have the right but not the obligation to use all or any part of CONTRACTOR's tools and equipment then in use on the job but shall pay CONTRACTOR a reasonable rental for the use of such tools and equipment during the period of use by EXXON and shall return same to CONTRACTOR upon completion of the job in as good condition as when taken over by EXXON, ordinary wear and tear excepted. Should EXXON take over completion of the SERVICES, or obtain another contractor to do so, EXXON's sole obligation shall be to pay CONTRACTOR, upon completion of the SERVICES, subject to other provisions of the CONTRACT, either that percentage of any monies due under the CONTRACT which represents the percentage of the SERVICES completed by CONTRACTOR or the full CONTRACT price less all costs and expenses incurred by EXXON in completing the SERVICES, whichever is less.

25. Suspension and Termination

EXXON shall have the right to suspend performance of this CONTRACT at any time for any reason and if EXXON does order such suspension, it shall not be liable for any damages or loss of anticipated profits as the result of such suspension. EXXON's sole obligation, if it should order SERVICES suspended, shall be to pay CONTRACTOR: (a) the wages of employees necessarily retained during the period of suspension, provided CONTRACTOR can show that it was not reasonably practicable to utilize the employees elsewhere or to terminate their employment; and (b) the reasonable rental value of CONTRACTOR's tools and equipment at the work site for the period of such suspension, provided CONTRACTOR can show that such tools and equipment were necessarily idle during such suspension. However, notwithstanding anything to the contrary above, should SERVICES be suspended due to the failure of CONTRACTOR to comply with any applicable law, regulation, or order of a government authority, or any term or condition set forth in this CONTRACT, including, but not limited to, the "Contractor's Responsibilities for Safety, Plant Security and Traffic Regulations" referenced in Paragraph 8C herein, EXXON shall have no liability to CONTRACTOR during any such period of suspended SERVICES. In addition to Exxon's rights to suspend performance of the CONTRACT, EXXON shall also have the right to terminate the CONTRACT at any time for any reason upon the giving of written notice to CONTRACTOR. If EXXON does so terminate the CONTRACT, EXXON's sole obligation shall be to reimburse CONTRACTOR for actual costs incurred to the date of such notice of termination for SERVICES performed in connection with the execution of this CONTRACT, and for actual cost thereafter incurred by CONTRACTOR in connection with such termination. However, in no event shall such reimbursement include damages or anticipated profits for SERVICES unperformed.

26. Federal Contract Clauses

EXXON is a U.S. Government Contractor. This CONTRACT therefore incorporates by this reference, and each party shall comply with all applicable federal laws, regulations, and orders, including, without limitation, those relating to equal opportunity, utilization of small business concerns and small disadvantaged business concerns, employment of the handicapped, employment of disabled veterans and veterans of the Vietnam era, and the environment. CONTRACTOR certifies that no facility which has been the subject of a conviction under the applicable portion of the Air Act (42 U.S.C. 7413(c)(1)) or Water Act (33 U.S.C. 1319(c)) and is listed by the Environmental Protection Agency as a violating facility will be used in the performance of this CONTRACT. Those Federal Contract Clauses which are required to be expressly incorporated into this CONTRACT are contained in the attached Federal Contract Supplement (dated January 1987) and the parties hereto agree to the terms and conditions contained therein.

27. Publicity Releases

CONTRACTOR shall obtain EXXON's approval before making publicity announcements regarding SERVICES or its activities relating thereto. CONTRACTOR shall cause its subcontractors to comply with this requirement.

27. Headings

The paragraph headings of this CONTRACT are for the convenience of the parties only and are not a part of this CONTRACT and do not in any way limit or amplify the terms and provisions of this CONTRACT.

By the signature of duly authorized representatives below, the parties hereto have executed this CONTRACT in duplicate originals as of the day and year first above written.

BROWN & ROOT U.S.A., INC.

By Alex L. Campbell
(Name and Title) *mw7*

Exxon Company, U.S.A.
(a division of Exxon Corporation)

By Edward T. DiCorcia
Edward T. DiCorcia, Vice President
Refining Department *RAR*

Form Approved
1

REG:pjp

c: Mr. H. D. Reddin, Baytown Refinery



Brown & Root U.S.A., Inc.

Post Office Box 4060
Baytown, TX 77520

(713) 424-5538

September 28, 1987

Exxon Company, USA
P. O. Box 4552
Houston, TX 77210-4552

ATTENTION: Mr. R. E. Greiner
Contract Negotiator

REFERENCE: Contract No. ABTM02013XC0650

Gentlemen:

We are submitting this request to add the following to EXHIBIT "D" -
CONTRACTOR OWNED EQUIPMENT.

	<u>Hourly</u>	<u>Daily</u>	<u>Weekly</u>	<u>Monthly</u>
Passenger Bus	3.76	30.08	150.40	661.76

I trust the above is satisfactory and should you have any questions,
please call me at 424-5538.

Respectfully,


K. R. Falknor
Manager of Operations

kc

*cc - Hobbs
H. Hancock*

EXX 002638

May 11, 1987

REV. 1

CONTRACT _____

DATE _____

CONTRACTOR'S NAME Brown & Root U.S.A., Inc.

ALTERNATE 1

EXCLUDING WORKMEN'S COMPENSATION

EXHIBIT D

COMPENSATION FOR CONTRACTOR'S SERVICES

Labor, Materials, and Equipment

1. Labor

Classification**	Skill Code* Abbreviation	Billing Rates, \$/Hr.	
		St. Time	Overtime
Superintendent (Field) (1 Only)	F SUPT	30.65	30.65
Assistant Superintendent (Piping) (As Required)	A SUPT	24.67	24.67
Safety Supervisor	SAFE	18.52	26.89
General Foreman (As Required)	G FORE	19.16	27.82
Foreman (Crafts)	FORE	18.45	26.79
Foreman (Labor)	L FORE	17.22	25.00
Foreman (Millwright)	M FORE	18.45	26.79
Craftsman (1st Class)	CRAF 1	15.46	22.45
Millwright (1st Class)	MILL	15.46	22.45
Helper (Crafts)	HELP	10.39	15.09
Laborer	LABOR	8.12	11.79
Welder (Pipe C.S./Alloys S.M.A.W. and T.I.G.)	WELD	15.98	23.20
Building Trades	BLDG T	15.27	22.17
Office Manager (1 Only)	OF MAN	17.41	25.28
Timekeeper (1 Per 100 People Onsite)	TIME	14.42	20.94
Toolroom/warehouseman (As Required)	TOOLS	14.42	20.94
Materials/Expediter	EXPED	14.42	20.94
Quality Control	QC	19.16	27.82
Field Party Chief	PAR CH	19.16	27.82
Crew Mix			

* Skill Code Abbreviation: Five-character abbreviation for skill code classification to be used on time sheets. (A copy of these abbreviations shall be forwarded to the Contract Administrator.)

** Contractor shall supply personnel capable of performing skill level appropriate to their capabilities. There shall not be rates charged above a person's capabilities. Labor obtained from third parties shall be invoiced in accordance with Section V, Subcontracts.

--- Crew Mix: The Contractor shall maintain a crew mix that reflects Foreman, Craftsmen, Helpers, and Laborers.

NOTES: (1) All other classifications/rates proposed shall be attached separately.
(2) Contractor shall control overhead costs below 10 percent.

EXX 002639

REV. 1

I. Labor

<u>Classification</u>	Skill Code <u>Abbreviation</u>	<u>Billing Rates \$/HR</u>	
		<u>St. Time</u>	<u>Overtime</u>
General Foreman (Laborer)		19.06	27.31
Truck Driver		14.31	20.51
Instrument Technician		19.26	27.60
Detailer		18.99	27.21
Job Planner		19.33	27.70
Project Engineer		20.00	28.66

May 11, 1987

REV. 1

CONTRACT ABTMO2013XC0650

DATE _____

CONTRACTOR'S NAME Brown & Root U.S.A., Inc.

EXHIBIT D

COMPENSATION FOR CONTRACTOR'S SERVICES

Labor, Materials, and Equipment

I. Labor

Classification**	Skill Code* Abbreviation	Billing Rates, \$/Hr.	
		St. Time	Overtime
Superintendent (Field) (1 Only)	F SUPT	31.99	31.99
Assistant Superintendent (Piping) (As Required)	A SUPT	25.75	25.75
Safety Supervisor	SAFE	19.33	27.70
General Foreman (As Required)	G FORE	20.00	28.66
Foreman (Crafts)	FORE	19.26	27.60
Foreman (Labor)	L FORE	17.97	25.75
Foreman (Millwright)	M FORE	19.26	27.60
Craftsman (1st Class)	CRAF 1	16.14	23.13
Millwright (1st Class)	MILL	16.14	23.13
Helper (Crafts)	HELP	10.85	15.55
Laborer	LABOR	8.48	12.15
Welder (Pipe C.S./Alloys S.M.A.W. and T.I.G.)	WELD	16.68	23.90
Building Trades	BLDG T	15.94	22.84
Office Manager (1 Only)	OF MAN	18.17	26.04
Timekeeper (1 Per 100 People Onsite)	TIME	15.05	21.57
Toolroom/Warehouseman (As Required)	TOOLS	15.05	21.57
Materials/Expediter	EXPED	15.05	21.57
Quality Control	QC	20.00	28.66
Field Party Chief	PAR CH	20.00	28.66
Crew Mix			

* Skill Code Abbreviation: Five-character abbreviation for skill code classification to be used on time sheets. (A copy of these abbreviations shall be forwarded to the Contract Administrator.)

** Contractor shall supply personnel capable of performing skill level appropriate to their capabilities. There shall not be rates charged above a person's capabilities. Labor obtained from third parties shall be invoiced in accordance with Section V, Subcontracts.

*** Crew Mix: The Contractor shall maintain a crew mix that reflects Foreman, Craftsmen, Helpers, and Laborers.

NOTES: (1) All other classifications/rates proposed shall be attached separately.
(2) Contractor shall control overhead costs below 10 percent.

EXX 002641



Brown & Root U.S.A., Inc.

Post Office Box 3
Houston, TX 77001-0003

Owen L. Campbell
Vice President

(713) 676-5273

September 15, 1987

Texas Employers Insurance Association
P. O. Box 1337
Houston, Texas 66251-1337

Gentlemen:

It is agreed and hereby authorized that any refund of premium, dividends on premium or premium discount accruing to Brown & Root U.S.A., Inc. under conditions of policy number 89472 issued to us by Texas Employers Insurance Association Company performed for Exxon under contract number LB-MH13272XC0650 and AB-TM02013CX0650 is assigned and shall be paid to Exxon Corporation.

Brown & Root U.S.A., Inc.

By: Owen L. Campbell *mw*

Title: Vice President

Witness: R. Michael Farley

Date: September 21, 1987

CONTRACT CHANGE ORDER

APPROPRIATION Various
 WORK REQUEST

Change Order 1, Issued August 31, 1987, to Contract ABTM02013XC0650
 Dated August 31, 1987, between Exxon Company, U.S.A. (a division of Exxon Corporation)
 and BROWN & ROOT U.S.A., INC., Contractor.
 Unit, Equipment, or Facility Involved Miscellaneous Turnaround and Construction Work

Contractor is authorized and agrees to make the following additions to or deductions from the work provided under the above Contract, performance of and payment therefor, except as otherwise specified herein, to be subject to all terms and conditions of said Contract:

Effective September 1, 1987, invoicing shall be in accordance with the billing rates shown in Exhibit "D," entitled "Compensation for Contractor's Services," Alternate 3 - Excluding Workmen's Compensation and \$1,000,000 CGL Limit.

This Change Order is to provide for Exxon-furnished Workers' Compensation Insurance in accordance with Article 14.B. and to limit Contractor's General Liability Insurance requirements under Article 13.A.(3) to \$1,000,000.

ORIGINAL AMOUNT OF CONTRACT \$ Reimbursable
 ADDITION
 AMOUNT OF THIS DEDUCTION \$ Reimbursable

IN WITNESS WHEREOF the parties hereto have executed this Change Order the day and year first above written.

ACCEPTED:

BROWN & ROOT U.S.A., INC.

Robert L. Campbell

MW7

Exxon Company, U.S.A.
 (a division of Exxon Corporation)

By

R. E. Greiner

R. E. Greiner, Contract Negotiator

REG:pjp (Title)

c: Mr. H. D. Reddin, Baytown Refinery

EXX 002643

27-5679 EXXON COMPANY, U.S.A.
CONTRACT FILES

EXX 002644