PLAINTIFF'S
EXHIBIT
CEL-704

ADAM SPENCER
CELANESE CHEMICAL CO.
CORPUS CHRISTI, TEXAS
TECHNICAL CENTER

GEN 55 REV. 2 (5/74)

Interoffice Memorandum

TO (Name and Location)	DATE
See Above	August 18,1980
FROM (Name and Location)	REFERENCE NO.
L. Starr	LS-174-80

SUBJECT: Administrative Procedures for Health and Safety of Contractor Employees

The newly developed policy on health and safety of contractor employees is attached.

The AP sets forth the basic concepts and procedures for implementing this policy. It includes a statement of the intent to assure protection of the health and safety of employees of contractors who perform services at Celanese facilities, with special emphasis on those who do so routinely or regularly, and the specific issues to be considered in developing appropriate operating company procedures. Operating Company internal procedures should be submitted for Legal and DEHSA review prior to adoption.

We recommend suitably broad distribution of the AP to those persons who are responsible for obtaining and supervising contractor functions.

L. Starr

LS:fl
Att.

009179

CELANESE CORPORATION

ADMINISTRATIVE PROCEDURE

RESPONSIBLE ISSUING DEPT.	SECTION: GENERAL ADMINISTRATION	PROCEDURE NO. 1-33
Health & Safety	SUBJECT: Policy on Health & Safety Contractor Employees	PAGE ..... 1 of 4
SUPERSEDES PROC. DATED New		DATES: ISSUED 8/80 EFFECTIVE 8/80

I. INTRODUCTION

It is Celanese policy to attempt to assure protection of the health and safety not only of its employees but also of the employees of operations or maintenance contractors (or other contractors, where appropriate) who routinely perform services at Celanese facilities. This policy shall be implemented by the operating companies through careful selection of contractors, dissemination of health and safety information to contractors, review of the contractor's health and safety program, and by insisting on compliance with applicable state and federal OSHA regulations and Celanese standards of performance. The ultimate responsibility for the health and safety of contractor employees rests with the contractor but, where necessary or appropriate, Celanese may provide assistance.

This policy follows from Celanese's general intention to provide a work environment for its employees with proper control of recognized hazards. Unsafe conditions affecting contractor employees could result in hazards which affect Celanese employees. Also, when contractor employees are exposed to hazards resulting in injury or illness, they may sue Celanese to recover excess damages not permitted against their own employer.

Contractor employees routinely performing services at a Celanese facility would not be presented with health and safety risks greater than those that would be presented to Celanese employees. Although different procedures will be followed with contractor employees, it is the ultimate objective that all workers at Celanese facilities will receive the same degree of health and safety protection that would be afforded to Celanese employees if they were performing similar tasks.

This policy is not intended to cover specialty contractors performing recognized high risk jobs not routinely performed by Celanese employees.

II. SELECTION OF CONTRACTORS

A. Selection Process

In selecting contractors to perform services at the facility, each operating company shall give strong consideration to the ability of the contractor to provide acceptable health and safety protection for the contractor's employees. The operating company should review the hazards presented by the work to be performed, and where such hazards are high, emphasize the need for a commensurate degree of sophistication in the contractor's health and safety program.

B. Safety and Health Input

Operating companies are encouraged to involve their health and safety departments in the selection of contractors, particularly where contractors will be performing high hazard activities.

C. Long-Term Contractors

Where contractors perform long-term services for Celanese, adequacy of the contractor's health and safety program should be reviewed periodically by the operating company. Where any such program is inadequate, the operating company should encourage the contractor to improve the quality of the program, and where satisfactory improvement is not made, seek alternate long-term contractors.

III. DISSEMINATION OF INFORMATION

A. Short-Term Contractors

The operating companies should provide to all short-term contractors material safety data sheets, internal Celanese standards and industrial hygiene and safety rules which are relevant to the services to be performed at the Celanese facility by such contractor.

B. Long-Term Contractors

Long-term contractors should be provided with the information provided short-term contractors. In addition, long-term contractors should receive copies of relevant toxicity data disseminated to Celanese employees under Administrative Procedure 1-30. Operating companies should assure that such contractors in turn disseminate the information to their affected employees.

IV. AGREEMENTS WITH CONTRACTORS

A. Purchase Orders

Operating companies may utilize purchase orders for short-term or otherwise minor services as is their standard practice. Operating companies should consider that short-term or inexpensive services could, by virtue of the high degree of hazard presented, justify the use of a contract rather than a purchase order. When purchase orders are used, printed attachments recommended by the Law Department should be included.

B. Contracts

Contracts should be negotiated by the operating companies for long-term and otherwise major services to be performed at Celanese facilities by contractors. Any changes in the standard contract language previously approved by the Law Department should receive Law Department review and approval.

C. Standard Clauses

Agreements (whether purchase orders or contracts) should usually include the following standard provisions:

(1) Warranty of contractor to comply with all governmental and Celanese health and safety requirements, including receipt of necessary permits.

(2) Right of Celanese to inspect contractor's facilities and operations at reasonable times to determine compliance with health and safety standards, including personnel monitoring where necessary.

(3) The standard Celanese indemnification provision.

(4) Duty of contractor to conduct health and safety monitoring of its employees and disseminate toxicity information.

(5) Duty of contractor to notify Celanese of any potential hazards it has created for its employees or Celanese employees.

V. CELANESE REVIEW AND ASSISTANCE

A. Review of Contractor Program

To assure compliance with standards and contractual obligations, the operating company should periodically review the contractor's health and safety program. Such review should include, but need not be limited to, the following: compliance with relevant regulations, industrial hygiene and safety program elements, education and training of employees, utilization of proper forms (not Celanese forms), personal protective equipment program and record-keeping. Any deficiencies noted should immediately be communicated to the contractor with a request for correction.

B. Assistance by Celanese

Where it is necessary for Celanese to assist the contractor in improvement or implementation of the contractor's health and safety program, such assistance should be provided directly to the contractor. If the contractor is unable or unwilling to remedy the indicated deficiencies, the operating company may provide health and safety protection directly to contractor employees, where necessary to protect such employees from recognized hazards.