

JJH: JCL: TGG: RF

XF: Contract Employee Policy

TO: Steve Ashby
Randy Gantz

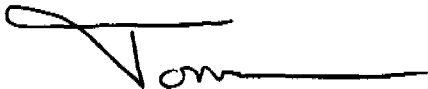
FROM: Tom Grumbles
DATE: March 29, 1985

Interoffice
Communication

SUBJ: APPENDIX "D" OF CONTRACTS

VISTA

Enclosed is a recently amended Exhibit "D" from Aberdeen. This was changed to have clearer and generally more favorable language in paragraph 2. Please review this in terms of the Appendix "D" your plant is now using for contracts. If you desire to make the same changes, please contact Phil Carey in Legal.



Thomas G. Grumbles

Enclosure

cc: Phil Carey

VEV 000018965

EXHIBIT "D"

Gentlemen:

_____ has agreed to perform certain work on behalf of Vista Polymers Inc. in its plant at Aberdeen, Mississippi. As you are well aware from your discussions with Vista, this plant is subject to, and governed by, the terms and provisions of 29 CFR 19.10.93 (q), relating to employees' exposure to VCM.

_____ agrees to comply with the requirements of the above regulation and Vista Polymers Inc. safety procedures. In order to facilitate the work to be performed pursuant to the agreement, Vista Polymers Inc. upon request will assist _____ in complying with the regulation by providing training in VCM hazards, respiratory protection equipment and training, when appropriate, and providing referrals for medical surveillance examinations.

_____ agrees that it is in every way responsible for complying with the regulations and agrees to indemnify and hold Vista Polymers Inc. harmless from any and all claims, demands and causes of action brought by any employee of _____

_____ which in any manner relate to the services provided by Vista Polymers Inc. under this agreement.

If this evidences the agreement concerning the furnishing of said services, please acknowledge by signing this letter and returning the original to Vista Polymers Inc.

Very truly yours,

AGREED TO:

By: _____

Date: 3-12-85

6/27/82

CONTRACTOR RELATIONS
GUIDELINES

Safety & Related Procedures
Lake Charles Chemical Plant

*Contractor
Employee
31.4*

I. PURPOSE

Our business of operating a chemical manufacturing plant will require that various CONTRACTORS be used from time to time. These contractors may be involved in large projects such as construction of complete process unit or they may be performing a one time short duration job of a strictly service nature. In all cases, contractors used by Conoco will be independent contractors. Whatever the scope of the independent contractor's work in the Lake Charles Chemical Plant, both Conoco Chemicals and the contractor have certain safety obligations which must be met.

These obligations may be imposed by statutes, regulations, or legal precedent. They also arise simply from Conoco's sincere desire to assure that all work in the plant, including that of contractors, is completed safely. Regardless of the reason for these obligations, Conoco Chemicals has developed these guidelines and policies to clarify Conoco - Contractor relations and to insure that there is a high degree of consistency in these relations. Each Conoco Chemicals employee who has any dealings with contractors must adhere to these guidelines.

II. DEFINITIONS & RESPONSIBILITIES

A. For the purpose of these guidelines, an independent contractor is defined as: a corporation, company or individual who performs work or service within the plant at the request and/or agreement of Conoco Chemicals but is not an agent or a permanent or temporary employee of Conoco Inc., a subsidiary or affiliated company.

1. Examples of independent contractors are:

- a. Company that through competitive bidding is in charge of work to accomplish new construction, revisions to existing facilities or demolition of any facilities.
- b. Company that through agreement with Conoco is in charge of any new, revised, or demolition work and is paid on a "cost plus" basis.
- c. Any company that is engaged by another contractor with Conoco's approval and has certain specialty capabilities and who performs that work within the Lake Charles Chemical Plant.

- d. Any company that performs work of a specialty nature and is engaged by Conoco Chemicals to do such specialty work in the plant.
 - e. Any company that is engaged in work of a service nature and is used by Conoco or one of Conoco's recognized contractors to perform service within the plant regardless of the frequency of the service provided.
2. Specific examples of service contractors include but are not limited to the following:
- Hot tap and specialty leak repair
 - Waste hauling or vacuum truck service
 - Hydroblast service
 - Machine shop service
 - Crane service
 - Specialty tank cleaning and repair
 - Janitor service
 - Scrap dealers
 - Water treatment service
 - Tire repair
 - Catalyst handling
 - General or specialized maintenance in the plant

B. Responsibilities

- 1. Conoco is responsible for establishing and maintaining safe and healthful conditions throughout the plant. Conoco has a responsibility to prevent injuries to contractor's employees and damage to his property that could result from negligence on the part of Conoco or any of its employees. It is important that all Conoco personnel who deal with contractors understand this responsibility. If injury to contractor's employees or damage to contractor's property is caused by negligence of Conoco or Conoco's employees, the injured party might try to seek damages against Conoco and any of its individual employees.

To fulfill this responsibility, Conoco must provide safety instruction for special conditions that are connected with plant operations. Conoco is not obligated, however, to furnish all required safety instructions or services and will not routinely inspect contractor work areas to assure they are free of unsafe conditions created by the day-to-day work of the contractor. Conoco has the right under the contract to make inspection of all contractor operations at any time.

2. Contractors have safety obligations under laws and legal regulations to all their employees. Certain instructions given by Conoco must be carried out by the contractor in his day-to-day work. Equipment under the control of contractors is their responsibility. Safe work habits of contractor employees are generally the contractor's responsibility and Conoco will intervene only when those habits or practices threaten Conoco or its employees, when an imminent danger situation exists or when the contractor or the contractor's employees fail to comply with Conoco safety requirements.

3. Conoco Contractor Supervisor

The primary responsibility for directing, instructing and supervising contractor activities will lie with the Conoco Supervisor, who is in charge of the contract work being done. This is especially important when service contractors are involved. In general, this supervisor is the individual who arranges for the contractor or service personnel. When work of a service nature is planned, the Conoco Supervisor responsible for the Maintenance work in that area will be obligated to assure that all requirements, including instruction to the contractor are fulfilled.

III. DOCUMENTS

A. Contractor Safety Manual

Each contractor who will be performing work for Conoco Chemicals in the Lake Charles Chemical Plant will receive a current copy of the plant's Contractor Safety Manual. This will be issued to the Contractor's Supervisor prior to work being started. Records of issue dates will be maintained by Conoco Contractor Supervisors. Deviations from the requirements in this manual will be discussed and final approval must be given by the plant's Safety Department.

B. Safety Manual Acceptance

When a Contractor's Safety Manual is issued, the on-site supervisor for the contractor will acknowledge in writing that he has been issued the manual and that he will read the material and conduct all work within the prescribed requirements. Failure to carry out this obligation may be cause to terminate the contract for non-performance. The record of both the issuance and acknowledgement will be maintained by the Safety Department in a log book. It is the duty of the Conoco Supervisor to see that the manual is issued and its receipt is properly acknowledged before any work begins.

C. Legal Contracts

In all situations, contractor or service work within the Lake Charles Chemical Plant must be covered by a specific contractual agreement. The contract may be for a specific project, or it may be in the form of a general service contract. Copies of all contracts must be "on file" in the Lake Charles Chemical Plant. Authorization to sub-contract work to other contractors must be given by Conoco in writing.

1. Service Contract

Each agreement of this nature must be reviewed and officially renewed annually. Contracts will be numbered with the designated year included in the number. (Example 82-0010)

2. Records

All contracts must be kept a minimum of ten (10) years.

D. Certificates of Insurance

All contractors, including those performing work of a service nature must furnish valid certificates of insurance coverage. The limits and coverage must be specified in the agreement and these certificates of insurance coverage shall become a part of the contract. Where service type contractors are involved, the certificates of insurance coverage will be updated annually.

IV. SPECIAL ADMINISTRATION - CONTRACTORS

A. Safety Control Permits

All contractor work throughout the plant will be authorized by issuance of a Safety Control Permit on a daily basis. This permit will detail what work can be done and the conditions under which it is authorized. In addition, the Safety Control Permit may establish limitations or special precautions which must be adhered to by the contractor.

1. Safety Control Permits will be issued to contractors by Chemical Plant Operations groups. Authorization of the permit will follow the plant procedures.
2. Permits will detail only specific precautions or methods and are not intended to cover all safety related requirements to which the contractor must also adhere.
3. Permits issued to a contractor may not be used by any other contractor, subcontractor or by Conoco to do work of a similar nature in the same area.
4. The contractor's supervisor or designated employee has the responsibility to see that all personnel connected with the work are advised of the permit requirements.

B. Contractor Safety & Health Instruction & Training

Overall, it will be the contractor's responsibility to train all his employees in safety and health measures. The minimum degree of training or instruction acceptable to Conoco will normally be fulfilled if the contractor meets all federal, state, and local regulations concerning safety and health training.

In specific areas of contractor activity, Conoco will require additional training of contractor employees. When this is the case, the contractor will make his safety representative or employees available for instruction in certain safety related procedures to be given by Conoco personnel. When the Contractor's Safety representative is instructed, he will then instruct all of the contractor's personnel. If subcontractors are involved the primary contractor is to assure that the safety and health information is communicated to them.

Information concerning specific situations in the plant will be provided by Conoco. These include the following:

1. Toxic Gas Release - Written procedure of in-plant action will be provided to contractor in poster form.
2. Emergency Response - Fire Alarm - Written procedure furnished to contractor detailing contractor action.
3. Ambulance - Poster detailing how to summons ambulance in-plant will be furnished to the contractor and must be posted in the contractor's primary work area.
4. Contractor Safety Manual - The contractor will be responsible for instruction of all his employees in the contents of the current Contractor's Safety Manual.

5. Instruction on specific jobs will be given to the contractor or his specified representative by the Conoco Supervisor in charge of their work. The contractor must, in turn, assure that his employees receive this information.

C. Subcontractor Training

When Conoco consents that portions of the contract work may be done by subcontractors, it is the responsibility of the primary contractor to assure that all necessary training is given to their subcontractors.

D. Special Conoco Instruction

In two specific cases, Conoco Safety personnel will participate directly in the instruction of contractors. These are where respiratory protection is required for completing the work and where specific or unique chemical exposure exists on a job. The contractor will make his personnel available for this special instruction prior to starting work involving these special situations.

Records of this special training will be kept by the contractor. The Conoco Safety Department will also maintain a log of this instruction.

E. Contractor Safety Supervision

Conoco will require that each contractor designate some supervisory employee to be responsible for day-to-day safety. The name of that person should be provided to the Conoco representative responsible for the job.

The contractor safety person will have as part of his assigned duties the responsibility of serving as Conoco's contact on all matters involving safety and health.

V. CONOCO CHEMICALS - SUPERVISION

Direct supervision of contractor employees by Conoco personnel should be kept to a minimum. In cases where safety of the personnel or the facilities is involved, however, consistent adherence to Conoco safety procedures must be maintained. It is one of the duties of the Conoco Supervisor to assure that this is done.

In general, safety procedures or correction of unsafe situations involving contractors should be handled through the Contractor's Safety representative and not directly with the contractor's employees. Only in situations where an immediate threat to safety or health is observed should direction be given to the contractor's personnel.

From time to time, and especially where service contractors are involved, Conoco personnel will have to be involved in direct supervision of the contract personnel. When this occurs, the primary consideration aside from safely accomplishing the job is to maintain the independent contractor status. The independent contractor status can be jeopardized if direct supervision is exerted by Conoco over all phases of the work. In such a situation, the contractor and/or his employees could be deemed to be Conoco employees.

Probably the best guideline for supervision is the duration of the job. A short single objective job such as use of a contract vacuum truck can be supervised more closely than a job requiring more than eight hours to accomplish. The Conoco Supervisor must exercise judgment in the amount of direct supervision that can be given and still maintain the independent status.

CONOCO EQUIPMENT USE BY CONTRACTORS

As a general rule, Conoco will not furnish any equipment to a contractor, including service contractors. It must be understood that equipment consists of tools, vehicles, machinery or other items that the contractor would use to carry out his work.

This restriction does not apply to utilities or materials that Conoco has agreed to furnish.

Certain safety equipment of a special nature may be furnished to contractors when judged to be necessary for the safe performance of the work. This will not include general or routine safety equipment but could consist of:

1. Respiratory protection
2. Special clothing
3. Shields
4. Other specialized protection equipment

When any of the above special equipment needs to be furnished, Conoco will assure that the contractor employees using the equipment are instructed in its use and that the equipment is in good condition.

With the exception of special safety equipment, if it is necessary to supply a contractor with other equipment owned or leased by Conoco, the Plant Manager must give his written approval.

VII. HEALTH & EXPOSURE TO CHEMICALS

A. First Aid Treatment

Conoco's First Aid facility is available to contractor employees for treatment of on-the-job injuries. In addition, Conoco will, upon request of the contractor make the plant's ambulance available to transport contractor employees to the nearest hospital in cases of serious injury. In cases other than emergency, where medical attention outside the plant is necessary, the contractor is responsible for arranging transportation.

A log of contractor treatment will be maintained in First Aid.

- B. Conoco does not intend to apply its chemical exposure dosimeter monitoring program to any contractor employees. Should it be necessary to check the exposure potential to contractor employees, area type monitoring will be used. If requested in writing, this information may be provided to the contractor.

VIII. CONTRACTOR ENTRY

Entry onto Conoco property by contractor's and their employees must be restricted to special gates designated for that purpose. In no case are contractors, including service contractors, to use plant entrances designated as Conoco employee gates.

Where special circumstances are involved such as moving large equipment in or out of the plant, the entry gate will be approved by the Safety Department.

Contractors and their employees are not to go between plants in the Lake Charles Chemical Complex.

A. Contractor Visitors (Labor Union Representatives)

1. Approval is required in each instance by the Safety Director or Director of Employee Relations.
2. Representative will be escorted at all times by the Contractor's Supervisor and will enter the plant at the Contractor's gate only.
3. A Conoco representative will also escort the representative during visit.
4. Visits will only be allowed during normal business hours.
5. Area to be visited will be restricted to a specific job. Visiting other job sites will not be permitted.
6. No Conoco vehicles will be used at any time to transport these visitors.
7. All safety rules and requirements for protective equipment must be followed.

8. Conoco Supervisor will inform contractor and visitors of all conditions or requirements prior to entry and will have responsibility to terminate visit at any time if conditions or requirements are not observed.