Docket #0032 Date Filed: 9/14/2021

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:	Chapter 11
Welded Construction, L.P., *et al.*	Case No: 18-12378 (CSS)
Debtors.[1]	(Jointly Administered)
Welded Construction, L.P.,	
Plaintiff,	
vs.	Adversary Proceeding No. 20−50932−CSS
Industrial Fabrics, Inc.,	
Defendant.	

NOTICE OF INTENT TO SERVE A DOCUMENT SUBPOENA

Industrial Fabrics, Inc., the Defendant in the above-referenced adversary proceeding by and through counsel of record, hereby provides notice pursuant to Fed.R.Civ.P Rule 45 and Fed.R.Bankr.P. Rule 9016 of its intent to serve a document subpoena on the following:

TO: President
Sunoco Pipeline L.P.
8111 Westchester Drive
Dallas, TX 75225

THRU: Corporation Service Company
211 E. 7th Street, Suite 620
Austin, TX 78701
Registered Agent

A copy of the document subpoena is attached.

Dated: September 14, 2021

Respectfully submitted,

THE LAW OFFICE OF JAMES TOBIA, LLC
James Tobia, Esq. (#3798)
1716 Wawaset Street
Wilmington, DE 19806
Tel. (302) 655-5303
Fax (302) 656-8053
Email: jtobia@tobialaw.com

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Welded Construction, L.P. (5008) and Welded Construction Michigan, LLC (9830)

1812378210914000000000005

and

JONES & ASSOCIATES
By: /s/ Roland Gary Jones
Roland Gary Jones, Esq.
1325 Avenue of the Americas
28th Floor
New York, NY 10019
Tel. (347) 862-9254 Ext. 701
Fax: (212) 202-4416
Email: rgj@rolandjones.com
Admitted pro hac vice

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:	Chapter 11
Welded Construction, L.P., *et al.*	Case No: 18-12378 (CSS)
Debtors.[1]	(Jointly Administered)

Welded Construction, L.P.,	
Plaintiff,	
vs.	Adversary Proceeding No. 20−50932−CSS
Industrial Fabrics, Inc.,	
Defendant.	

SUBPOENA IN AN ADVERSARY PROCEEDING

TO: **President**
Sunoco Pipeline L.P.
8111 Westchester Drive
Dallas, TX 75225

THRU: **Corporation Service Company**
211 E. 7th Street, Suite 620
Austin, TX 78701
Registered Agent

Sunoco Pipeline L.P. is required to respond to the attached document subpoena. Undersigned counsel will accept electronic production of the documents and information requested via e-mail at the e-mail address indicated below.

PLEASE TAKE NOTICE that that failure to respond to the subpoena is punishable as contempt of court.

Should you have any questions with respect to this subpoena, please contact Roland Gary Jones, Esq. using the telephone number and/or electronic mail address provided below.

Dated: September 14, 2021

Respectfully submitted,

THE LAW OFFICE OF JAMES TOBIA, LLC
James Tobia, Esq. (#3798)
1716 Wawaset Street
Wilmington, DE 19806
Tel. (302) 655-5303
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IN RE:	Chapter 11
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Debtors.[1]	(Jointly Administered)
Welded Construction, L.P.,	
Plaintiff,	
vs.	Adversary Proceeding No. 20−50932−CSS
Industrial Fabrics, Inc.,	
Defendant.	

SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR ORJECTS OR TO PERMIT INSPECTION OF PREMISES IN A BANKRUPTCY CASE (OR ADVERSARY PROCEEDING)

TO: President
Sunoco Pipeline L.P.
8111 Westchester Drive
Dallas, TX 75225

THRU: Corporation Service Company
211 E. 7th Street, Suite 620
Austin, TX 78701
Registered Agent

☒ Production – YOU ARE COMMANDED to produce at the time, date, and place set forth below the following documents, electronically stored information, or objects, and to permit inspection, copying, testing, or sampling of the material:

See **Exhibit A**, attached.

PLACE:	DATE AND TIME:
Jones & Associates 1325 Avenues of the Americas 28th Floor New York, NY 10019	September 30, 2021 1:00 PM

☐ *Inspection of Premises*: **YOU ARE COMMANDED** to permit entry onto the designated

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Welded Construction, L.P. (5008) and Welded Construction Michigan, LLC (9830)

premises, land, or other property possessed or controlled by you at the time, date, and location set forth below, so that the requesting party may inspect, measure, survey, photograph, test, or sample the property or any designated object or operation on it.

PLACE:	DATE AND TIME:

The following provisions of Fed. R. Civ. P. 45 made applicable in bankruptcy cases by Fed. R. Bankr. P. 9016, are attached – Rule 45(c), relating to the place of compliance; Rule 45(d), relating to your protection as a person subject to a subpoena; and Rule 45(e) and (g), relating to your duty to respond to this subpoena and the potential consequences of not doing so.

Dated: September 14, 2021

/s/Roland Gary Jones
Roland Gary Jones, Esq.
Counsel for Industrial Fabrics, Inc.

The name, address, e-mail address, and telephone number of the attorney representing Industrial Fabrics, Inc., the Defendant in this Adversary Proceeding, who issues or requests this subpoena, are:

JONES & ASSOCIATES
By: */s/ Roland Gary Jones*
Roland Gary Jones, Esq.
New York Bar No. RGJ-6902
1325 Avenues of the Americas
28th Floor
New York, NY 10019
Tel: (347)862-9254
Fax: (212) 202-4416
Email: rgj@rolandjones.com

Counsel for Industrial Fabrics, Inc.

Notice to the person who issues or requests this subpoena

If this subpoena commands the production of documents, electronically stored information, or tangible things, or the inspection of premises before trial, a notice and a copy of the subpoena must be served on each party in this case before it is served on the person to whom it is directed. Fed. R. Civ. P. 45(a)(4).

Federal Rule of Civil Procedure 45(c), (d), (e), and (g) (Effective 12/1/13)
(made applicable in bankruptcy cases by Rule 9016, Federal Rules of Bankruptcy Procedure)

(c) Place of compliance.
(1) For a Trial, Hearing, or Deposition. A subpoena may command a person to attend a trial, hearing, or deposition only as follows:
(A) within 100 miles of where the person resides, is employed, or regularly transacts business in person; or
(B) within the state where the person resides, is employed, or regularly transacts business in person, if the person
(i) is a party or a party's officer; or
(ii) is commanded to attend a trial and would not incur substantial expense.

(2) For Other Discovery. A subpoena may command:
(A) production of documents, or electronically stored information, or things at a place within 100 miles of where the person resides, is employed, or regularly transacts business in person; and
(B) inspection of premises, at the premises to be inspected.

(d) Protecting a Person Subject to a Subpoena; Enforcement.
(1) Avoiding Undue Burden or Expense; Sanctions. A party or attorney responsible for issuing and serving a subpoena must take reasonable steps to avoid imposing undue burden or expense on a person subject to the subpoena. The court for the district where compliance is required must enforce this duty and impose an appropriate sanction — which may include lost earnings and reasonable attorney's fees — on a party or attorney who fails to comply.
(2) Command to Produce Materials or Permit Inspection.
(A) Appearance Not Required. A person commanded to produce documents, electronically stored information, or tangible things, or to permit the inspection of premises, need not appear in person at the place of production or inspection unless also commanded to appear for a deposition, hearing, or trial.
(B) Objections. A person commanded to produce documents or tangible things or to permit inspection may serve on the party or attorney designated in the subpoena a written objection to inspecting, copying, testing or sampling any or all of the materials or to inspecting the premises — or to
producing electronically stored information in the form or forms requested.

The objection must be served before the earlier of the time specified for compliance or 14 days after the subpoena is served. If an objection is made, the following rules apply:
(i) At any time, on notice to the commanded person, the serving party may move the court for the district where compliance is required for an order compelling production or inspection.
(ii) These acts may be required only as directed in the order, and the order must protect a person who is neither a party nor a party's officer from significant expense resulting from compliance.

(3) Quashing or Modifying a Subpoena.
(A) When Required. On timely motion, the court for the district where compliance is required must quash or modify a subpoena that:
(i) fails to allow a reasonable time to comply;
(ii) requires a person to comply beyond the geographical limits specified in Rule 45(c);
(iii) requires disclosure of privileged or other protected matter, if no exception or waiver applies; or
(iv) subjects a person to undue burden.
(B) When Permitted. To protect a person subject to or affected by a subpoena, the court for the district where compliance is required may, on motion, quash or modify the subpoena if it requires:
(i) disclosing a trade secret or other confidential research, development, or commercial information; or
(ii) disclosing an unretained expert's opinion or information that does not describe specific occurrences in dispute and results from the expert's
study that was not requested by a party.
(C) Specifying Conditions as an Alternative. In the circumstances described in Rule 45(d)(3)(B), the court may, instead of quashing or modifying a subpoena, order appearance or production under specified conditions if the serving party:
(i) shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship; and (ii) ensures that the subpoenaed person will be reasonably compensated.

(e) Duties in Responding to a Subpoena.

(1) Producing Documents or Electronically Stored Information. These procedures apply to producing documents or electronically stored information:
(A) Documents. A person responding to a subpoena to produce documents must produce them as they are kept in the ordinary course of business or must organize and label them to correspond to the categories in the demand.
(B) Form for Producing Electronically Stored Information Not Specified. If a subpoena does not specify a form for producing electronically stored information, the person responding must produce it in a form or forms in which it is ordinarily maintained or in a reasonably usable form or forms.
(C) Electronically Stored Information Produced in Only One Form. The
person responding need not produce the same electronically stored information in more than one form.
(D) Inaccessible Electronically Stored Information. The person responding need not provide discovery of electronically stored information from sources that the person identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or for a protective order, the person responding must show that the information is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(2)(C). The court may specify conditions for the discovery.

(2) Claiming Privilege or Protection.
(A) Information Withheld. A person withholding subpoenaed information under a claim that it is privileged or subject to protection as trial-preparation material must:
(i) expressly make the claim; and (ii) describe the nature of the withheld documents, communications, or tangible things in a manner that, without revealing information itself privileged or protected, will enable the parties to assess the claim.
(B) Information Produced. If information produced in response to a subpoena is subject to a claim of privilege or of protection as trial preparation material, the person making the claim may notify any party that received the information of the claim and the basis for it. After being notified, a party must promptly return, sequester, or destroy the specified information and any copies it has; must not use or disclose the information until the claim is resolved; must take reasonable steps to retrieve the information if the party disclosed it before being notified; and may promptly present the information under seal to the court for the district where compliance is required for a determination of the claim. The person who produced the information must preserve the information until the claim is resolved.
(g) Contempt. The court for the district where compliance is required – and
also, after a motion is transferred, the issuing court – may hold in contempt
a person who, having been served, fails without adequate excuse to obey
the subpoena or an order related to it.

For access to subpoena materials, see Fed. R. Civ. P. 45(a) Committee Note (2013)

EXHIBIT A

EXHIBIT A TO THE SUBPOENA TO PRODUCE INFORMATION RELATED TO WELDED CONSTRUCTION, L.P. IN THE POSSESSION, CUSTODY OR CONTROL OF SUNOCO PIPELINE, L.P. TO BE PRODUCED FOR INSPECTION AND COPYING

INSTRUCTIONS TO THE RECIPIENT OF THIS SUBPOENA:

The Defendant, Industrial Fabrics, Inc., believes that the Sunoco Pipeline, L.P. is in possession, custody, and control of information, which is relevant to the bankruptcy adversary proceeding pursuant to which this subpoena has been issued. ALL DOCUMENT DESTRUCTION OR RETENTION POLICIES AND PRACTICES AND ELECTRONIC FILE DELETION OR DISK MANAGEMENT PRACTICES, POLICIES OR PROTOCOLS (INCLUDING BUT NOT LIMITED TO REFORMATTING OR DEFRAGMENTING PRACTICES) WHICH COULD HAVE THE EFFECT OF ALTERING OR DESTROYING INFORMATION REQUESTED BY THE SUBPOENA WHICH IS ELECTRONICALLY STORED SHOULD BE SUSPENDED UNTIL YOU ARE EXCUSED FROM THIS SUBPOENA.

Failure without adequate excuse to obey this subpoena may be punished as contempt of the United States Bankruptcy Court from which this subpoena is issued.

For purposes of this request, the following definitions apply:

Definitions:

"Agreement" refers to the contract or agreement between Welded Construction and Sunoco for the pipeline construction for the Mariner East Pipeline. A copy of which is attached as Exhibit B.

"Project" refers to the Mariner East Pipeline as defined in the Agreement.

"Relate" or "relating to" is defined as showing, reflecting, referring to, constituting, evidencing, or concerning in any way all or any portion of the subject matter of the facts, contentions, or matter referenced in the interrogatory.

"Sunoco" refers to Sunoco Pipeline, L.P., including its affiliates and subsidiaries, successors in interest, agents, assignees, present and former directors, officers, and employees.

"Welded Construction" refers to Welded Construction, L.P., including its affiliates and subsidiaries, predecessors in interest, agents, assignees, present and former directors, officers, and employees.

Request for information:

1. Identify the outstanding debts owed by Sunoco to Welded Construction in relation to the Agreement or the Project as of August 13, 2018.

Requests for documents:

1. All documents relating to the outstanding debts owed by Sunoco to Welded Construction in relation to the Agreement or the Project as of August 13, 2018.

File Name	WeldedConstruction_MCSA.docx
Contractor Name:	Welded Construction, L.P.
Vendor SAP Number:	1000015723
Agreement SAP Number:	4600000999
Scope:	CAPITAL CONSTRUCTION MASTER AGREEMENT
Significant Deviation From Standard Terms:	
Highlighted Risk:	

MASTER CONSTRUCTION SERVICES AGREEMENT NO.: 4600000999



BETWEEN

Sunoco Marketing Partners & Terminals, LP
and/or
Sunoco Pipeline, LP

AND

Welded Construction, L.P.
1000015723

EFFECTIVE DATE: September 8th, 2015

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THIS MASTER CONSTRUCTION SERVICES AGREEMENT (this "Agreement") is made as of the 8th day of September, 2015, by and between **SUNOCO PARTNERS MARKETING & TERMINALS, LP and/or SUNOCO PIPELINE L.P**., ("Sunoco"), a Delaware Limited Partnership, and **Welded Construction, L.P.** ("Contractor"), an Ohio Limited Partnership, with its principal place of business located at 26933 Eckel Road, Perrysburg, Ohio 43551.

BACKGROUND

WHEREAS, Contractor has expertise in providing pipeline construction services; and

WHEREAS, Sunoco desires that Contractor render pipeline construction services to Sunoco, in accordance with the provisions of the Agreement Documents as defined herein.

NOW, THEREFORE, in consideration of the mutual obligations set forth herein, and intending to be legally bound, Sunoco and Contractor covenant and agree as follows:

ARTICLE I: GENERAL TERMS

1.1 Incorporation of Background: The Background Section, above, is incorporated by reference herein.

1.2 Definitions: Capitalized terms shall have the following meanings:

Agreement Documents. "Agreement Documents" means this Agreement, any and all other documents or exhibits attached hereto, incorporated herein or by reference, and any and all subsequent Amendments to any of these documents.

Amendment. "Amendment" means a written modification or change to any Agreement Document signed by both Parties.

Applicable Law. "Applicable Law" means all applicable present and future court orders, injunctions and decrees, laws, ordinances, executive orders, rules, regulations, interpretations and requirements (including, without limitation, those relating to the environment, and the specific laws set forth in Article XIII (Specific Laws) herein, as amended from time to time), of any federal, state or local court, administrative agency or governmental body, and the United States.

Completion Date. "Completion Date" means the date that entire project is In-Service AND all additional requirements under the Project are complete, including but not limited to, fulfillment of all regulatory requirements, testing, operational capacity if fully met, site and installations are cleaned, and all release of liens are executed and submitted.

Event of Default. "Event of Default" means those events defined and identified in Section 10.1 (Events of Default) of this Agreement.

Event of Insolvency. "Event of Insolvency" means (a) the filing of a voluntary petition by Contractor under the Federal Bankruptcy Code or any similar state or federal law; or (b) the filing of an involuntary petition against Contractor under the Federal Bankruptcy Code or any similar state or federal law which remains undismissed for a period of forty-five (45) days; or (c) Contractor's making of an assignment for the benefit of creditors; or (d) the appointment of a receiver for Contractor or for the property or assets of Contractor, if such appointment is not vacated within forty-five (45) days thereafter; or (e) any other proceeding under any bankruptcy or insolvency law or liquidated law, voluntary or otherwise.

In – Service Date. "In-Service Date" means the date the Project is in service, achieving the specified objective with respect to operations and capacity as required under the scope of work set forth in the Purchase Order

Materials. "Materials" means any and all memoranda, reports, records, documents, documentation, information, supplies, plans, original drawings, specifications, computations, sketches, renderings, arrangements, videos, pamphlets, advertisements, statistics, and other data, computer tapes, computer software, and other tangible work product or materials prepared or developed by the Contractor or for the Contractor by a Subcontractor and supplied to Sunoco by Contractor or a Subcontractor in performance of this Agreement.

Party or Parties. "Party" means either Sunoco or Contractor. "Parties" means Sunoco and Contractor.

Project Manager. "Project Manager" means the Sunoco representative charged with managing the Project.

Purchase Order. "Purchase Order" means a document authorizing work on a Project under the Terms & Conditions of this Agreement, which sets forth the cost structure, the Scope of Work and any additional information required for project authorization.

Schedule of Values. "Schedule of Values" means a breakdown of the scope of work using the work breakdown structure (wbs) in a hierarchal layout containing scope of work activities, unit of measurement, unit cost, work hours and cumulative values for both direct and indirect costs.

Sunoco Contact. "Sunoco Contact" means Sunoco's procurement representative.

Scope of Work. "Scope of Work" means the work or services set out in the document(s) attached as *Exhibit A* to this Agreement, or Purchase Order referencing this Agreement, provided by Sunoco, which set(s) forth the Services to be rendered and Materials to be provided under this Agreement, the time frames within which the Services are to be rendered and the Materials are to be provided and other requirements Contractor must satisfy in rendering the Services and providing the Materials.

Services. "Services" means the work to be performed under this Agreement as specified in *Exhibit A* or Purchase Orders referencing this Agreement.

Subcontract. "Subcontract" means a contract made between the Contractor and a Subcontractor.

Sunoco Representative. "Sunoco Representative" means the Project Manager or designated point of contact for the Project as named by Sunoco.

Subcontractor. "Subcontractor" means an individual or entity who/that has contracted with the Contractor for the performance of all or a part of the work or Services which the Contractor has contracted to perform under this Agreement.

Termination Notice. "Termination Notice" means a written notice from Sunoco to Contractor that informs Contractor of Sunoco's intent to terminate this Agreement.

1.3 Exhibits: The following Exhibits are attached hereto or to a Purchase Order issued hereunder, and incorporated by reference:

Exhibit A – Scope of Work
Exhibit B – Compensation
Exhibit C– Sunoco Health & Safety Requirements
Exhibit D – Lump Sum Acknowledgement
Exhibit E – Standard Release of Liens
Exhibit F – Contractor's Completion Affidavit
Exhibit G – DOT Requirements

Term: This Agreement shall commence on, September 8th, 2015 (Effective Date). The term of this Agreement shall continue for a primary term of three (3) years from its effective date, and shall extend from month to month thereafter, unless and until terminated by either party giving at least thirty (30) days prior written notice to the other party. Contractor may not terminate this Agreement as to any particular project upon which work has commenced.

ARTICLE II: THE WORK

2.1. Scope of Work: Contractor shall furnish and pay for all labor, supervision, tools, technical capability, transportation, materials and supplies (except those materials and supplies which Sunoco hereinafter agrees to furnish) and all other items or accessories necessary for Contractor to perform and accomplish the Work described in Exhibit "A" or set forth in a Purchase Order or Change Orders issued by Sunoco. All work performed for and materials purchased on behalf of Sunoco shall meet the most current specifications provided to Contractor by Sunoco.

Contractor shall complete the Work by the In Service Date, as set forth here, or in dates as set forth in Purchase Orders provided.

2.2 Prior Work Performed: If Sunoco has permitted Contractor to begin any Work before this Contract has been issued and executed by Contractor, and that work is within the definition of "Work", Contractor agrees that said work shall be governed by, and shall be deemed to have been carried out in accordance with, the terms and conditions of this Contract.

2.3 Contractor Prequalification: Contractor has met all prequalification requirements as required by Sunoco, set forth in Exhibit C, and shall maintain such qualifications at all times during the term of this Agreement, or during the time that any work is being performed in accordance with a Purchase Order issued by Sunoco and accepted by Contractor. Should Contractor's qualifications fail to meet the Sunoco standards as set forth and required, Sunoco maintains the right to terminate this Agreement and any work in progress at the time. Contractor must notify Sunoco if they, for any reason, fail to meet these ongoing required qualifications.

2.4 Conflict of Interest. For purposes of Conflict of Interests, Contractor shall disclose to Sunoco all Owners, Senior Executives, Principles, Partners, General Partners, Parent Companies who own at least 25% of Contractor, or in any event, a controlling interest in Contractor.

2.5 Public Relations. Contractor shall exert all reasonable efforts to maintain good will for the benefit of Sunoco with the landowners, tenants, and lessees along the right-of-way, and with the general public.

ARTICLE III: SUBCONTRACTORS

3.1 Subcontractor Usage: Prior to the subcontractor's start of work on Sunoco's project, Contractor shall provide Sunoco with a list of all subcontractors used to carry out all, or portions of, the Work. Sunoco maintains the right to reject any subcontractor or individual employees of a proposed subcontractor. This right may be exercised at any point during the execution of the Work. Contractor is responsible to ensure that all subcontractors and their agents and employees are and remain qualified for the Work.

3.2 Responsibility for Subcontractors: In the event that Contractor subcontracts any of the Work, Contractor shall be solely responsible for the engagement and management of its subcontractors in the performance of the Work in accordance with the terms of this Contract, for the performance of the Work by its subcontractors and for all acts or omissions of subcontractors. Contractor shall ensure that subcontractor and all sub –subcontractors meets all governmental agency regulations as well as Sunoco and local requirements under this Agreement and that all Work furnished or performed by its subcontractors conforms to the requirements of this Contract. No contract or agreement with any subcontractor shall bind, or purport to bind, Sunoco, or give the subcontractor a right to seek compensation or damages from Sunoco. Contractor shall remain responsible for all Work performed by its subcontractors.

ARTICLE IV: SCHEDULE

4.1 In-Service Date: Contractor shall commence the work after receipt of a written authorization in the form of a Purchase Order from Sunoco to Commence Work, and shall perform the Work at such a rate of progress as necessary to achieve the In Service Date as set forth in the Purchase Order provided at the inception of the Project. Any approved changes to the In-Service Date will be reflected in a subsequent Change Order issued by Sunoco. Should no such order be issued by Sunoco, the In-Service Date remains unchanged.

4.2 Completion Date: Contractor shall have the Project fully complete by the date set forth

in the project specific Purchase Order.

4.3 Time: Time being of the essence in performance of this Agreement and all Purchase Orders and Change Orders issued by Sunoco, Contractor agrees to prosecute the work regularly and diligently and uninterruptedly at such a rate of progress as will be sufficient to achieve the In Service Date set forth in this agreement, section 4.1 and any milestones set forth or contemplated under this Agreement. Contractor acknowledges that the time requirement herein is both reasonable and realistic.

4.4. **Delays – Damages:** Notwithstanding anything contained herein to the contrary, contractor expressly agrees that its remedies for delay of any type (including any delay by Sunoco in authorizing contractor to mobilize, lack of material, or lack of the right-of-way or permits) or nature in the performance of the Work under this Agreement or applicable Purchase Order under this Agreement shall be an extension of time and cost (to the In-Service Date and, if applicable, the dates for calculating ay Incentive Bonus or Liquidated Damages Under this Agreement) in an amount equal to the time period of such delay. No relief shall be given to Contractor for delays caused by, or are in any way in the control of Contractor. Contractor shall make no demand to Sunoco for damages or extended overhead as a result of any delay in authorizing contractor to commence the Services unless such delay exceeds 30 days from the planned commencement date through no fault of Contractor. For any such claimed delay, Contractor shall be afforded an extension of time provided that Contractor can show unequivocally that such claimed delay will affect the Contractor's schedule of the work and directly delay the In-Service Date. Contractor may be entitled to payment or compensation from Sunoco for, including but not limited to, direct and documented, or impact damages, due to hindrance of delay from any cause whatsoever. Delays shall be managed through the change order process.

4.5 Liquidated Damages: Contractor shall be entitled to a grace period of two (2) weeks past the agreed Sunoco In-Service Date set forth in the Purchase Order and/or Subsequent Change Orders, during which period no liquidated damages will be assessed. If the Contractor fails to meet the requirements the Agreement and any subsequent Purchase Orders and/or Change Orders, after such grace period, then the Contractor shall, as the sole monetary remedy for delay, pay to Sunoco by way of liquidated damages and not as a penalty for a failure to achieve timely completion, ¼ of 1 percent (one quarter of one percent) of the Agreement price per week (or part of a week) subject to an overall liability cap equal to 5% (five percent) of the Agreement price. The Parties agree that the levels of liquidated damages agreed to represent a reasonable pre-estimate of the losses likely to be suffered by Sunoco in the event that each applicable time for completion is not met and are not in the nature of a penalty. These amounts are agreed upon and fixed because of the difficulty of ascertaining the exact amount of loss that Sunoco would suffer in such circumstances and shall be applicable regardless of the actual loss that Sunoco sustains.

ARTICLE V: PRICE AND PAYMENT

5.1 Price: As total consideration for this Work to be performed hereunder, Sunoco shall pay contractor pursuant to Exhibit C – Compensation, as and to the extent modified by Purchase Orders and subsequent Change Orders; such payment to be paid in accordance with the payment provisions included herein. Contractor shall submit its schedule of rates on an annual basis, but

not more than one time in any twelve month period. If Contractor submits a schedule of rates during any twelve month period that contains a rate increase from the previous twelve month period, Sunoco shall not be obligated to compensate contractor for such rate increase unless approved by Sunoco in writing by way of an Amendment to the Agreement duly executed by the parties. If the Project is bid as a Lump Sum, in whole in or in part, upon submission of the executed Purchase Order, Contractor shall execute and submit a Lump Sum Acknowledgement, a copy of which is attached hereto as Exhibit D.

5.2 Lump Sum Breakdown: If the Project set forth in a Purchase Order is a Lump Sum, in total, or in part, Contractor shall provide a Lump Sum Breakdown of the Lump Sum cost, including costs for mechanical labor, civil labor, equipment, materials, etc. This breakdown does not constitute Unit Prices, but will be used for progress payments or development of estimates for requested changes that will be lump sum in nature.

5.3 Invoicing: Subject to all terms and conditions contained herein, for projects without agreed upon milestone payments, Subcontractor shall submit an Invoice to Sunoco twice per month for work completed during the preceding half month period. All invoices must contain the correct and appropriate Purchase Order number and must be approved by Sunoco's representative. Ninety percent (90%) of the Work satisfactorily completed is payable in accordance with Section 5.4. Final payment of ten (10%) retention will be due after Contractor has completed the scope of work (except for warranty) under this Agreement, and all releases are received to the effect that the work has been performed and there are no unsatisfied or undischarged claims, demands, losses, liens, attachment or encumbrances arising out of the agreement. Payment by Sunoco does not constitute a waiver of any of Sunoco's rights under this Agreement, nor constitute or imply acceptance by Sunoco of any portion of the work. Acceptance of final payment by Contractor shall constitute a release and waiver by Contractor of all claims Subcontractor has or may have against Sunoco.

5.3.1 All invoices submitted by Contractor shall be based on the most recent schedule of values submitted by Contractor and approved by Sunoco in accordance with the Contract Documents. The Schedule of Values, which is to have been provided with the Contractor's bid package, shall allocate the entire Contract Price among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as Sunoco may require. In some instances bid sheets are incorporated in the bid packages and the Schedule of Values is based on them in development in the Scope of Work. This schedule of values, if approved by Sunoco, shall be used as the basis for reviewing Contractors invoices. Invoices submitted shall indicate the percentage of completion of each portion of the work as of the end of the period covered by the invoice. The estimated percentage of completion of each portion of the percentage of each portion of the work in the schedule of values is to be determined by Sunoco. Sunoco's determination is final and binding on Contractor. Sunoco and any other party whose approval is required by Contract documents shall have the right of inspection and verification of the invoice. Contractor shall also provide partial lien waivers from its subcontractors when required by Sunoco.

5.3.2 Progress payments to be calculated as follows:

(i) Take that portion of the Contract price properly allocable to completed work as determined by multiplying the percentage completed of each portion of the Work by the share of the total contract price allocated to that portion of the

work in the Schedule of Values, less that percentage actually retained, if any, from payment to the Sunoco on account of the Work of Contractor.

(ii) Add that portion of the contract Price properly allocable to materials and equipment delivered and suitably stored at the site by Contractor for subsequent incorporation into the Work, or, if approved in advance by Sunoco, suitably stored off site at a location agreed upon in writing, less the percentage of retainage as set forth above.

(iii) Subtract the aggregate of previous payments made by Sunoco; and

(iv) Subtract amounts, if any, which are related to Work of Contractor for which Sunoco has withheld or nullified, in whole or in part, for a cause which is the fault of Contractor.

5.3.3 Invoices submitted by Contractor shall have the attached Waiver of Lien form properly completed and signed by an officer or duly authorized individual on behalf of Contractor. Final Invoice will also be supported by the Final release form identified as Exhibit E. Any Invoice submitted by Contractor without the completed Waiver of Lien form and/or Final Release for will be rejected. Both the Waiver of Lien and Final Release must be signed by an owner, principal, partner, authorized officer or duly authorized individual of Contractor and must be notarized by a licensed Notary Public. Subject to Article VII Extra Work - Change, Contractor agrees to accept the specified compensation as full compensation for doing all work and furnishing all material contemplated by and embraced in the Contract for all loss or damage arising out of the nature of the Work or from the action of the elements from any unforeseen or unknown difficulties or obstructions which may arise or be encountered in the prosecution of the Work until its acceptance for all risks of every description connected with the Work.

5.4 Payment Terms: Sunoco shall make payment of all sums due and owing to Contractor, Net 30 days upon receipt of an invoice which contains a valid Purchase Order Number.

5.5 Materials Payment: Sunoco will not pay for materials purchased and stored for use in the Work, but not yet incorporated into the Work, unless Sunoco has expressly agreed to such payments, in writing, and then only on the following conditions: (1) Contractor shows that payment is being requested only for a reasonable amount of material, necessary to support its prompt performance of the Work; (2) the material has been properly stored on the Project site or other property approved by Sunoco; (3) Contractor certifies that it has inspected the material and that it is not subject to any defect or non-conformity that could reasonably be discovered by careful inspection; and (4) upon Sunoco's request, Contractor will execute documentation to confirm that good title to Sunoco will pass upon payment.

5.6 Acceptance: Neither progress payments, milestone payments, partial nor entire use or occupancy of the Work by Sunoco, shall constitute an acceptance or approval of any of Contractor's Work that is defective or otherwise is not in accordance with the Contract, or constitute a waiver of any claim or right that Sunoco may then or thereafter have against Contractor.

5.6 Retainage: Sunoco shall withhold ten percent (10%) of the amount of all invoices as retention.

5.6.1 Upon notice that subcontractors are unpaid, or a lien notice has been received, Sunoco reserves the right, upon notice to contractor and a reasonable time to cure, to pay subcontractor out of the retainage held in accordance with section 5.5 above. As the project progresses past the 60% complete point, Sunoco, at the discretion of the Sunoco Project Manager, may reduce the retainage to five percent (5%), if progress on the project is acceptable to the Project manager. Sunoco will not unreasonably withhold the release of retainage upon completion of the work.

5.6.2 If Contractor fails to complete all work required to reach the Completion Date in on time, Sunoco maintains the right to take over the work, upon written notice to Contractor, and reduce the retainage to cover the uncompleted work, including any increased costs incurred by Sunoco in doing so.

5.7 Taxes and Fees: Unless otherwise required by law, Contractor has exclusive liability for sales, use, excise and other taxes, charges or contributions with respect to or imposed on any material or equipment supplied or Work performed by Contractor, including such taxes or contributions imposed on the wages, salaries or other payments to persons employed by Contractor or its subcontractors in the performance of this Contract. Contractor shall pay all such taxes, charges, or contributions before delinquency or discount date and shall indemnify and hold Sunoco harmless from any liability and expense by reason of Contractor's failure to pay such taxes, charges or contributions. Upon request made by Contractor, Sunoco will provide Contractor with a tax exempt certificate for any Projects that are deemed tax exempt.

Sunoco shall not be responsible for the direct payment of any withholding taxes, social security payments, payment under workers' compensation or other insurance premiums, or other charges of any kind or nature, except as specifically outlined herein. Contractor hereby certifies that he will deduct and pay over to the proper governmental authority any withholding taxes or similar assessment which an employer is required to deduct and pay over. Contractor accepts exclusive liability for any payroll taxes or contributions imposed by any federal, state or other governmental authority, covering its agents or employees.

Contractor assumes full responsibility for and agrees to pay for, and agrees that the price to be paid by Company as set forth herein shall be fully inclusive of all labor, including overtime as legally required, all overhead, and all contributions and taxes payable under federal and state social security acts, old age pension, worker's compensation laws, unemployment compensation laws, and income tax laws and any other applicable laws as to all of its employees and agents engaged in the performance of the work hereunder; and Contractor hereby agrees to indemnify and save Company harmless against the consequences of any failure by Contractor or any of its subcontractors to pay or withhold taxes, charges, or compensation due on behalf of its employees or agents involved in the work.

5.8 Final Acceptance: After Sunoco has acknowledged final acceptance of the Work, Contractor shall submit to Sunoco its invoice for final payment. As a condition precedent to final payment, Contractor shall deliver (1) a full release of liens in such form as Sunoco may require;

(2) all warranty and guarantee documents required by this Contract; (3) any instruction or operation manuals or instructions required by this Contract; and (4) all other documents delivery of which is required by provisions elsewhere in the Contract Documents. If any liens have been threatened or asserted against Sunoco or its property as a result of the Work and have not been removed by Contractor, Contractor may be required to post a bond, or other form of security acceptable to Sunoco, covering

liability and costs (including attorneys' fees) arising from the lien claim as a condition of receiving final payment.

5.9 Final Payment: Acceptance of final payment shall constitute a waiver of all of Contractor's claims and liens relating to or arising from the Work or this Contract.

Final payment to Contractor (including the remaining ten percent (10%)) shall be made by Sunoco only after presentation of Contractor's final adjusted invoice (initialed and dated by Sunoco's Representative), accompanied by an executed Contractor's Completion Affidavit (when required by Sunoco) attached hereto as Exhibit "F", and properly supported by evidence (including, if requested by Sunoco, releases or waivers of all liens, form of which is attached hereto as Exhibit "E", or claims for property damage and proof of payment of all taxes and other obligations assumed hereunder, arising out of or in connection with the Work by all persons, firms, corporations, or agencies of government on whose behalf such liens or claims could be or have been filed) satisfactory to Sunoco, that all charges for labor and material incorporated in the Work and all other damages or indebtedness connected with the Work for which such liens or claims could be filed have been paid and that the Work is free of all liens, claims and encumbrances. Such payment shall be made by Sunoco pursuant to Contractor's final adjusted invoice following Sunoco's receipt of evidence of payment of obligations and receipt of such invoice and final inspection report from Sunoco's representative advising that the Work has been satisfactorily completed. Sunoco's payment of this invoice shall constitute its acceptance of the Work. Acceptance by Contractor of such final payment shall constitute a waiver by it of all claims against Sunoco related to or arising out of this Agreement. Such final acceptance and payment by either party hereto shall not, however, release Contractor and its surety from any unperformed obligations hereunder.

5.10 Payment withholding: Sunoco may withhold payments if any of the following occurs: (1) the Work is defective and the defects have not been remedied; (2) Contractor fails to perform the Work in accordance with this Contract; (3) Contractor has failed to pay subcontractors or suppliers promptly, or has made false or inaccurate certifications that payments to subcontractors or suppliers are due or have been made; (4) any construction lien or mechanic's lien claim has been filed against Sunoco, the Project site or any portion thereof or interest therein, or any improvements on the Project site in violation of the terms of this Contract, and Contractor, upon notice, has failed to remove the lien, by bonding it off or otherwise, within the time allowed by this Contract; or (5) Sunoco has reasonably determined that Contractor's progress has fallen behind the Project Schedule, and Contractor fails, within five business days of Sunoco's written demand, to provide Sunoco with a realistic and acceptable plan to recover the delays or to accelerate the Work as directed, (6) Damage to another Contractor attributable to the actions or inactions of Contractor; (7) Damage to Sunoco's property attributable to the actions or inactions of Contractor; or (8) Damage to the property of others attributable to the actions or inactions of Contractor.

5.11 Disputed Invoices: In the event Sunoco disputes the amount or content of any invoice, Sunoco shall not be responsible for payment of such invoice or portion of such invoice that is in dispute until such time as the disputed portion is resolved. Notwithstanding disputes concerning any invoices, Contractor shall continue to diligently prosecute the work. After providing written notice to Sunoco and giving Sunoco fourteen (14) days to cure, Contractor has the right to stop work for non-payment of undisputed invoices that are over sixty (60) days past due, which are issued in accordance with this agreement.

5.12 Offset: Sunoco shall be entitled to offset from any sum due Contractor hereunder against any obligations Contractor may owe to Sunoco under this contract with Contractor.

ARTICLE VI: REPRESENTATION, WARRANTIES AND RESPONSIBILITIES

6.1 Representations: Contractor represents and warrants that Contractor is engaged in the business of, and has developed the requisite expertise for performing the Work. Contractor and its agents, employees, and subcontractors have the capability, experience, expertise and means required to perform the Work and the Work will be performed using personnel, equipment, and materials qualified and/or suitable to do the work requested. Contractor acknowledges that Sunoco is relying on the Contractor's expertise and knowledge in performance of the Work. Contractor shall perform the Work:

(1) with due diligence and in a safe, workmanlike, and competent manner, in accordance with sound construction practices and standards and Sunoco's approved practices and standards;

(2) in compliance with all applicable laws, codes, regulations or other standards applied by any governmental entity having jurisdiction over the Work and shall secure, at its expense, all necessary permits and licenses, including but not limited to applicable state contractor licenses, for the performance and completion of the Work, including by not limited to the operation, hauling and transportation of all materials and/or equipment needed, used or supplied in and for the Work, and Contractor shall pay in connection therewith, without reimbursement from Sunoco, all valid and applicable fees, assessments or taxes levied by units of government with jurisdiction imposed by law on Contractor or Sunoco as a result of Work performed by Contractor, its subcontractors, vendors, agents or representatives,

(3) in accordance with all applicable manufacturer's requirements;

(4) in accordance with all applicable standards and codes; and

(5) in accordance with the provisions of this Contract.

6.2 Warranties. Contractor's warranty for services provided shall extend for eighteen (18) months from final Completion Date by Sunoco. If the Contract requires warranty terms that are of longer duration or require a higher standard of performance than is set forth in this Section, the more stringent or extensive warranty requirements shall apply. This warranty shall be in addition to, and shall not limit, any warranty of materials provided by any manufacturer or supplier of equipment or materials incorporated in the Work, and any other remedies Sunoco may have pursuant to applicable law. The warranty shall not be deemed to establish a period of limitation or prescription within which such other rights or remedies must be asserted.

6.3 Project Examination: Contractor represents that, before executing this Contract, it has, acting as a skilled and experienced contractor, conducted a careful investigation and examination of the information provided by Sunoco prior to execution of the Purchase Order and any specifically identified project site to ascertain the nature and location of the site and other reasonably discoverable conditions that may affect its Work, including topographical features, water on or near the site, roads, the size and shape and topography of the site and its ability to accommodate the various trades and any required storage, features affecting transportation, vegetation or physical barriers, rocks, rubble, or existing structures or impediments to construction, and the like. Contractor also represents that it has, before executing this Contract, carefully examined all information provided by Sunoco concerning soils or subsurface conditions, as-built conditions, location of existing underground utilities and services at the site, and any other information concerning the site or structures on it, and has independently verified the location of all utilities via the one call system.

6.4 Site Review: It shall be the responsibility of the Contractor to examine, and Contractor specifically represents that it has carefully examined the sites and routes of the Work, and is acquainted thoroughly with all conditions likely to be encountered in performing the Work. In relation to the project site, Contractor has taken into account all facets of the job, including, but not limited to, the items listed below as they relate to the specifications and the conditions which may be encountered in performing the Work, and Contractor's price reflects consideration of all of them, to wit:

1. Low areas, which could be wet during construction
2. Normal and abnormal weather conditions other than Force Majeure event;
3. Completion of project in order to meet the In-Service Date;
4. Labor conditions and availability;
5. Rail locations;
6. Material type and size, fuel costs, and equipment availability;
7. Road load limits;
8. Special taxes, assessments, or use fee;
9. Availability and disposal of clean, non-alkaline water for hydrostatic testing;
10. Crossing of Sunoco or third party pipelines;
11. Equal Opportunity/Affirmative Action/Drug Testing responsibilities
12. Applicable federal, state and local laws, ordinances, statutes, rules, regulations, permits and orders;
13. Applicable federal, state and local environmental and safety standards;
14. All rock removal and disposal;
15. All underground structures and subsurface conditions, including, but not limited to underground utilities
16. Crop irrigation systems;
17. Utilities or Rights of Way;
18. Water crossings of any kind;
19. All surface and subsurface conditions including, but not limited to timber, crop fields, or berms;
20. The existence of any federal or state classified threatened and or endangered species and/or birds covered under the Migratory Bird Treaty Act;
21. Access and limitations to work area due to physical structures or operational policies that are communicated by a Sunoco Representative; and
22. The likelihood or existence errors or omissions in plans, specifications, or drawings provided to Contractor. Once Contractor is aware, or notes any errors or omissions in plans specifications, or drawings provided, they will notify Sunoco of same. Costs incurred for work and rework resulting from work performed with failure to notify, shall be borne by Contractor.

6.5 Scope Impact Notification: With respect to sections 6.3 and 6.4 above, Contractor shall advise Sunoco of any and all potential changes to the scope as described herein, schedule, or cost prior to any work beginning.

6.6 Payment to Materialmen: Contractor will make timely payments to all materialmen, subcontractors and suppliers for materials and services furnished by them for the Work, and failure of the Contractor to so perform shall be deemed a breach hereof.

6.7 Warranty of Title: Contractor warrants good title to all Work and warrants and guarantees that title, when it passes to and vests in Sunoco, will be free and clear of any liens, claims, charges, security interests, encumbrances and rights of any type or kind.

6.8 Material Warranty: If Contractor is supplying materials or equipment under this Contract, Contractor shall obtain standard commercial warranties from all material or equipment manufacturers. If Sunoco so requests, Contractor shall also provide reasonable assistance in determining whether superior warranty terms are available from a vendor and in obtaining such terms for Sunoco. If warranty terms are available, but only at increased cost, and Sunoco elects to obtain such terms, Sunoco shall pay the additional cost, over and above the Contract sum. Such guarantees shall run directly to Sunoco and its affiliates and Contractor shall render all reasonable assistance to Sunoco in enforcing such warranties. If a vendor or subcontractor fails to provide such guarantees and warranties or is unable or unwilling to guarantee the material and equipment to be free of faulty design, workmanship and materials by reason of the vendor or subcontractor is relying upon contractor's process or mechanical calculations, in the design and manufacture of the materials and equipment, the Contractor shall guarantee to Sunoco and its successors and assigns that such materials and equipment will be free of faulty design, materials and workmanship for a period of eighteen (18) months from Sunoco's final acceptance of the work. Contractor guarantees the Work for a period of eighteen (18) months from the Sunoco's final acceptance.

6.9 Repair/Replacement: Within five (5) days after being notified in writing by Sunoco of any breach of Contractor's warranties or any non-conformity to the Agreement or drawings and specifications, Contractor shall commence, and thereafter complete as rapidly as reasonably possible, repair or replacement of the defective or non-conforming Work, at Contractor's sole expense. In addition, Contractor shall, at its sole expense, repair or replace any portions of the Work (or work of other contractors) damaged by the non-conforming Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for longer of (1) the remainder of the original warranty period or (2) six (6) months from the date on which the corrected Work is accepted. Final payment by Sunoco or final acceptance of the Work shall not relieve Contractor from its responsibilities under this Section. **In the event the Work performed by Contractor for Sunoco is incorrect, defective or otherwise in error, the Contractor shall indemnify and hold Sunoco, its parent and affiliated companies and limited partnerships in which Sunoco, its parent and/or affiliated companies act as general partner, and their officers, directors, employees and agents harmless from and against all damages, losses, costs and expenses (including attorney's fees) which Sunoco may incur by reason of Contractor's error.**

6.10 Sunoco's Right to Repair: Alternatively, if in the sole discretion of Sunoco, the defective or non-conforming Work creates an immediate risk to person or property or is critical to Sunoco's

operations, Sunoco may undertake the repair or replacement of the defective or non-conforming Work and back charge Contractor for all reasonable costs associated with the repair or replacement of the defective or non-conforming Work. In no event, will any work undertaken pursuant to this Section limit, impair or void any warranties provided by Contractor.

6.11 Effects on Rights and Remedies: The warranties set forth herein shall not affect or limit any of Sunoco's other rights or remedies provided by the Contract or applicable law and shall not be deemed to establish a period of limitation or prescription within which such other rights or remedies must be asserted.

ARTICLE VII: EXTRA WORK- CHANGE

7.1 Extra Work: Sunoco may require Contractor to perform Work or furnish materials or equipment or the use thereof, in connection with the Work which arises outside and is independent or not otherwise included in this Agreement or its scope (hereinafter referred to as "Extra Work"). Extra work may be occasioned by major change in design or specification requiring work of both a materially different nature and cost from that contemplated at the time of execution of this Agreement, or the performance of other additional Work incident to the completion of the Project or facilities here involved, but not in contemplation of the parties at the time of execution of this Agreement. Contractor shall not perform any Extra Work without having first secured written authorization from Sunoco (by Change Order). Such authorization will describe the Extra Work to be performed and specify the schedule to complete the changes, the impact of this change upon the base work with respect to cost, scope or schedule, price to be paid therefore, or the basis on which such price will be calculated. In the event that there is a change agreed to between the parties, Contractor shall provide a basis for the cost change, which shall include (1) unit price (2) lump sum breakdown and/or (3) competitive bid estimates. At a minimum a change order request shall provide work to be performed, work hours planned, materials and equipment to be used and the cost of each; such information shall be provided whether the project is a lump sum, time and material, unit price, or cost reimbursable. Should Contractor perform Extra Work without advance written authorization from Sunoco Representative, such Extra Work will be at Contractor's expense.

7.2 Cost Change Estimates: All change estimates shall be inclusive of all costs. Notwithstanding anything contained herein to the contrary, Sunoco shall not be responsible for any costs which are not submitted for approval, including but not limited to: stacking of trades; crew productivity and inefficiency; concurrent operations; dilution of supervision; logistics; ripple effects; overtime, weekends and holidays worked.

ARTICLE VIII: INSPECTION AND TESTING; RECORDS AND AUDIT

8.1 Inspection and Testing: Sunoco Representative may, at its option, visit the Work site at intervals appropriate to keep familiar with the progress and quality of the Work, as well as to determine if the Work is proceeding in accordance with the Agreement. However, the Sunoco

Representative will not be required to make exhaustive or continuous on-site inspections to check the quality of the Work

Except as required by law, Sunoco Representative will not be responsible for and will not have control or charge of the means methods techniques sequences or procedures or for safety precautions and programs in connection with the Work and the Sunoco Representative will not be responsible for Contractor's failure to carry out the Work in accordance with the Agreement. The Sunoco representative will not be responsible for or have control or charge over the acts or omission of Contractor, its subcontractors, or any of their agents or employees, or any other persons performing the work.

Sunoco Representative shall at all times have access to the Work wherever it is in preparation or progress and to any other location where equipment or material for the Work, if any, is being fabricated or stored by Contractor or its subcontractors. All Work shall be performed in a Workmanlike manner and shall meet with the approval of Sunoco's Representative; provided, however, that no inspection or suggestion by Sunoco's Representative or Sunoco's employees or agents shall operate to control the method of performance of the Work hereunder, the manner and method of performing the same being under the sole control and direction of Contractor, Sunoco having interest only in the results obtained, and Contractor shall perform all Work hereunder as an independent contractor.

8.2 RECORDS AND AUDIT. Contractor shall keep accurate daily records of account for all Work performed, and shall provide copies to Sunoco (except Work for which a fixed price has been quoted), which itemize the names of employees, the hours worked by each, the type of work performed, the wages paid, equipment and materials used and any other item of cost for which Sunoco is required to reimburse Contractor. Sunoco, its agents or assigns, shall have the right, at all reasonable times during regular business hours, to inspect and audit such records. Contractor shall preserve such records for 36 months after completion, cancellation or termination of this Contract.

If the audit discloses that either party owes money to the other, any sums due will be paid within thirty (30) days after the sum due is agreed upon by the parties or determined by a court or other dispute resolution tribunal. In any event, Contractor's right to recover any alleged underpayment shall be waived, unless a claim in writing with full support documents is received by Sunoco within 180 days after the end of the particular contract year, or the contract term, if less than a year.

ARTICLE IX: RISK OF LOSS PASSAGE OF TITLE

9.1 Risk of Loss and Passage of Title: (a) Contractor shall be responsible for all materials, equipment and/or work until acceptance thereof by Sunoco and shall be required to repair, to the satisfaction of Sunoco, or pay for any loss, injury or damages which said materials, equipment and/or Work may sustain from any source or cause whatsoever before acceptance of the Work. Responsibility for material provided by Sunoco shall transfer to Contractor upon transfer of control of material to Contractor as evidenced by delivery to the Construction Site. Contractor, at its sole cost, shall be responsible for and obligated to replace, repair, or reconstruct the Work and any material, equipment, or supplies furnished for the Work which is lost, damaged, or destroyed prior to acceptance of the Work by Sunoco however, such loss shall occur. Contractor shall be responsible for repair and replacement of any of the Sunoco's other property, other than the Work covered

by this Contract, or the property of third parties which is lost, damaged, or destroyed by the act or omission of the Contractor, its employees, agents and subcontractors. (b) Sunoco shall have title to all Work completed or in progress and to all machinery, equipment, materials and supplies, the cost of which has been paid to Contractor. All studies, specifications, test results, reports, in whatever state of completion prepared by Contractor in exchange for consideration hereunder shall be the property of Sunoco upon completion or termination of this Contract. Sunoco shall have the right to use same for any purpose whatsoever without right on the part of Contractor to any additional compensation therefore.

9.2 Contractor warrants that title to all work covered by an invoice shall pass to Sunoco at the earlier of the incorporation into the project or the time of payment. Contractor also warrants that, upon submittal of an invoice, all Work for which payments have been received from Sunoco, will be free and clear of liens, claims, security interests, or encumbrances in favor of Contractor or any other person or entity performing construction at the Project site or furnishing materials or equipment relating to the Work, and all necessary documentation, such as Release of Liens, shall be provided.

ARTICLE X: RIGHT-OF-WAY; INGRESS AND EGRESS

10. 1 Contractor Duty to Remain within Right-Of-Way or Project Limits: Contractor acknowledges that it must perform its work within the right-of-way area or project limits as described in the plans, specifications, and this Agreement or any related part thereto. Contractor further acknowledges that in the event Contractor, its agents, subcontractors, vendors or representatives deviate from the right of way area, Contractor may incur, amongst other things, trespass damages. Contractor shall not deviate from the right-of-way area, unless directed or approved by Sunoco in writing. **CONTRACTOR SHALL INDEMNIFY SUNOCO AND HOLD SUNOCO HARMLESS FOR ANY AND ALL COSTS, EXPENSES, AND LIABILITIES OF SUNOCO AS A RESULT OF ANY DEVIATION FROM THE PROPOSED RIGHT-OF-WAY BY CONTRACTOR, ITS AGENTS, SUBCONTRACTORS, VENDORS OR REPRESENTATIVES, EXCLUDING HOWEVER, ANY AND ALL COSTS, EXPENSES AND LIABILITIES RESULTING FROM A DEVIATION DIRECTED BY SUNOCO OR ITS REPRESENTATIVE IN WRITING.**

10.2 Right of Ingress and Egress: To the extent necessary, Sunoco will furnish all rights- of-way and rights of ingress and egress necessary for the prosecution of the Work. Contractor shall not enter upon private property until all rights-of-way and rights of ingress and egress have been secured and verbal and/or written notification of such has been given to Contractor by the Sunoco Representative. Contractor shall comply fully with any and all terms and conditions contained in such rights-of-way and rights of ingress and egress and shall fully indemnify Sunoco, its parent and affiliated companies, in the same manner as set forth herein, for any costs and expenses incurred by Sunoco, its parent and affiliated companies, as a result of any non-compliance therewith by Contractor.

ARTICLE XI: INDEMNITY, INFRINGEMENT, INSURANCE AND BONDING.

11.1 Indemnity: TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR

AGREES TO INDEMNIFY, DEFEND, RELEASE AND HOLD HARMLESS SUNOCO, ITS PARENT AND AFFILIATE COMPANIES, PARTNERS, LIMITED PARTNERSHIPS IN WHICH SUNOCO, ITS PARENT AND/OR AFFILIATED COMPANIES ACT AS GENERAL PARTNER, SUCCESSORS, ASSIGNS, LEGAL REPRESENTATIVES, OFFICERS, DIRECTORS, SHAREHOLDERS, INSURERS, AGENTS AND EMPLOYEES (COLLECTIVELY "SUNOCO INDEMNITIEES") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITIES OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES FOR INJURY TO OR DEATH OF ANY PERSON, OR FOR LOSS OF DAMAGES (EXCLUDING PUNITIVE AND EXEMPLARY) TO ANY PROPERTY (INCLUDING WITHOUT LIMITATION, CLAIMS FOR POLLUTION AND ENVIRONMENTAL DAMAGE), PRODUCT LIABILITY AND STRICT LIABILITY AND CIVIL OR CRIMINAL FINES OR PENALTIES, DISCOVERED OR UNDISCOVERED, DIRECTLY OR INDIRECTLY ARISING OR ALLEGED TO ARISE OUT OF OR IN ANY WAY INCIDENTAL TO (I) ANY BREACH OR NON-COMPLIANCE WITH ANY TERM OR PROVISION OF THIS AGREEMENT, BY THE CONTRACTOR, ITS EMPLOYEES, SUBCONTRACTORS, VENDORS, AGENTS REPRESENTATIVES, ASSIGNS, SUCCESSORS, AFFILIATED COMPANIES, OR ANY OTHER PERSON FOR WHOM THE CONTRACTOR IS RESPONSIBLE IN THE LAW, RELATED TO THIS AGREEMENT OR THE PERFORMANCE OF NON-PERFORMANCE OF THE WORK HEREUNDER (COLLECTIVELY "CONTRACTOR'S LIABILITIES"). THIS INDEMNITY INCLUDES CONTRACTORS AGREMENT TO PAY ALL COSTS AND EXPENSES OF DEFENSE, INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEY'S FEES INCURRED BY ANY SUNOCO INDEMNITIEE. THIS INDEMNITY SHALL APPLY WITHOUT LIMITATION TO ANY "CONTRACTOR LIABILITY" IMPOSED ON ANY PARTY INDEMNIFIED HEREUNDER AS A RESULT OF ANY STATUTE, RULE, REGULATION OR THEORY OF STRICT LIABLITY INCLUDING BUT NOT LIMITED TO STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY. CONTRACTOR EXPRESSLY ASSUMES, TO THE EXTENT OF ITS RELATIVE FAULT, ANY AND ALL "CONTRACTOR LIABILITIES" ARISING IN FAVOR OF ANY THIRD PARTY OR GOVERNMENTAL AGENCY OR ENTITY, THE PARTIES HERETO, THEIR EMPLOYEES AND THEIR EMPLOYEES' REPRESENTATIVES AND BENEFICIARIES. THIS INDEMNIFICATION SHALL NOT BE LIMITED TO DAMAGES, COMPENSATION, OR BENEFITS PAYABLE UNDER INSURANCE POLICIES, WORKERS' COMPENSATION ACTS, DISABILITY BENEFITS ACTS OR OTHER EMPLOYEES' BENEFITS ACTS. ALTHOUGH CONTRACTOR HAS CAUSED THE INDEMNITIEES TO BE NAMED AS ADDITIONAL INSURED UNDER THE CONTRACTOR'S POLICIES OF INSURANCE, CONTRACTOR'S LIAIBLITY UNDER THIS INDEMNIFICATION SHALL NOT BE LIMITED TO THE LIABILITIES LIMITS SET FORTH IN SUCH POLICIES. If this Contract relates to Work of any kind performed in Ohio, **CONTRACTOR EXPRESSLY AND SPECIFICALLY WAIVES ITS STATUTORY AND CONSTITUTIONAL WORKERS' COMPENSATION IMMUNITY UNDER OHIO LAW AND INCLUDING ANY AMENDMENTS TO THIS CONTRACT.** This Section shall survive termination or cancellation of this Contract. CONTRACTOR FURTHER AGREES, EXCEPT AS MAY BE OTHERWISE SPECIFICALLY PROVIDED HEREIN, THAT THE OBLIGATIONS OF

INDEMMNIFICATION HEREUNDER SHALL INCLUDE, BUT NOT BE LIMITED TO THE FOLLOWING:

a. LIENS BY THIRD PERSONS AGAINST THE SUNOCO, ITS PARENT AND AFFILIATED COMPANIES AND THEIR PROPERTY, BECAUSE OF LABOR, SERVICES, MATERIALS, OR ANY OTHER TYPE OF LIEN, FURNISHED TO THE CONTRACTOR, ITS ASSIGNS OR SUBCONTRACTORS, IN CONNECTION WITH THE WORK PERFORMED BY CONTRACTOR HEREUNDER AND CONTRACTOR SHALL REQUIRE ALL SUBCONTRACTORS OR VENDORS PROVIDING LABOR, SERVICES OR MATERIALS IN CONNECTION WITH THE WORK TO EXECUTE A LIEN WAIVER PRIOR TO CONTRACTOR'S PAYMENT TO SAID SUBCONTRACTOR OR VENDOR. SAID LIEN WAIVER SHALL EXPLICITLY SET FORTH THE SUBCONTRACTOR'S RELEASE AND WAIVER OF ANY AND ALL MECHANIC'S LIEN OR RIGHT OF LIEN WHICH ACCRUES OR MAY ACCRUE TO SAID SUBCONTRACTOR OR VENDOR AND PROPERLY SETTING FORTH SUNOCO AS THE OWNER OF THE WORK. CONTRACTOR SHALL PROVIDE SUNOCO COPIES OF ALL EXECUTED SUBCONTRACTOR OR VENDOR LIEN WAIVERS.

b. EXPENSES, CLAIMS, FINES, AND PENALTIES OR OTHER ENFORCEMENT CHARGES, RESULTING FROM THE FAILURE OF CONTRACTOR TO ABIDE BY ANY AND ALL VALID APPLICABLE LAWS, RULES OR REGULATIONS OF ANY GOVERNMENTAL OR REGULATORY AUTHORITY WITH JURISDICTION.

CONTRACTOR SHALL WAIVE AND RELEASE AND DOES HEREBY WAIVE AND RELEASE ANY AND EVERY MECHANIC'S LIEN OR RIGHT OF LIEN WHICH ACCRUES TO IT AT ANY TIME UPON ANY REAL ESTATE, BUILDINGS, OR STRUCTURE OF THE SUNOCO, ITS PARENT OR AFFILIATED COMPANIES OR IF WORK IS TO BE PERFORMED ON PROPERY OF THIRD PARTIES, EVERY MECHANIC'S LIEN OR RIGHT OF LIEN WHICH ACCRUES TO IT UPON ANY REAL ESTATE BUILDING OR STRUCTURE OF SUCH THIRD PARTIES, AS A RESULT OF THE PERFORMANCE OF THE WORK.

CONTRACTOR SHALL ASSUME ALL RESPONSIBILTY FOR, INCLUDING CONTROL AND REMOVAL OF, AND PROTECT, DEFEND, AND SAVE HARMLESS SUNOCO FROM AND AGAINST ALL CLAIMS CAUSED BY CONTRACTOR OR CONTRACTOR'S EMPLOYEES, AGENTS REPRESENTATIVES, INVITEES OR SUBCONTRACTORS, ARISING FROM POLLUTION OR CONTAMINATION, WHICH MAY BE IMPOSED UPON OR INCURRED BY OR ASSERTED AGAINST SUNOCO BY ANY OTHER PARTY OR PARTIES (INCLUDING GOVERNMENTAL ENTITIES), IN CONNECTION WITH ANY ENVIRONMENTAL CONDITIONS INCLUDING ANY ALLEGED EXPOSURE OF ANY PERSON TO ENVIRONMENTAL CONDITIONS) OR THE REMEDIATION OF ANY ENVIRONMENTAL CONDITIONS (WHETHER NOW KNOWN OR HEREAFTER DISCOVERED) OR ANY ENVIRONMENTAL NONCOMPLIANCE ARISING OUT OF, RESULTING FROM OR ATTRIBUTABLE TO THE PERFORMANCE OF OR FAILURE TO PERFORM THE WORK OR THE PROVISIONS OF THIS CONTRACT.

SUNOCO DOES NOT GIVE CONTRACTOR ANY INDEMNITY OF ANY KIND IN CONNECTION WITH THIS CONTRACT OR THE WORK, AND NO SUCH INDEMNITY SHALL BE IMPLIED BY THE TERMS OF THIS AGREEMENT, THE CONDUCT OF THE PARTIES, THE RELATIONSHIP OF THE PARTIES, OR OTHERWISE.

Sunoco shall notify Contractor of any claim that has given or could give rise to a right of indemnification hereunder or that may be presented to it by any party. Contractor shall, at its sole cost and expense, investigate, handle, respond to, and provide defense for any claim for which it gives indemnity herein; provided that Sunoco shall have the right and opportunity to participate in any such investigation and defense. At Sunoco's sole discretion and option, exercisable at any time, Sunoco may itself undertake the defense, litigation, settlement or satisfaction of any such claim, reserving the right to seek indemnification against Contractor until after the claim is resolved, or Sunoco may direct Contractor to contest, defend, litigate, settle or satisfy any claim made against Sunoco provided that Contractor shall not settle any claim without Sunoco's prior written consent, such consent not to be unreasonably withheld. In the event the Contractor, after receipt of notice of a Claim, fails to furnish a defense and indemnity as provided for under this provision, the Sunoco shall be entitled to receive from the Contractor its attorney's fees, costs, expenses and any amounts paid in the enforcement of this Agreement.

Sunoco shall include its members, affiliated companies, partners, co-owners, joint ventures, and each of its and their respective directors, officers, employees, agents, servants, representatives, affiliates, including Sunoco's join interest owners and the surface fee owner(s) of the real property on which the Work is being performed or to which Contractor may have access hereunder.

In the event Contractor engages a subcontractor to perform any portion of the Work, Contractor agrees that it will obtain from each such subcontractor indemnity provisions for the benefit of Sunoco that are at least as extensive as those provided by Contractor to Sunoco. If Contractor fails to obtain an indemnity provision from any of its subcontractors, Contractor agrees to protect, defend, indemnify and hold harmless, Sunoco in the same extend as provided above, as if contractor were its subcontractors and shall carry contractual indemnity insurance therefore. Contractor's subcontractors shall carry insurance policies substantially similar to those policies as required of Contractor hereunder.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, BUT SUBJECT TO THE EXPRESS EXCEPTION DESCRIBED AT THE END OF THIS CLAUSE 11.1, NEITHER PARTY HERETO NOR ANY OF THEIR RESPECTIVE PERSONNEL SHALL BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOSS OF PROFITS OR REVENUE, LOSS OF USE, COST OF CAPITAL, DOWN TIME COSTS, LOSS OF OPPORTUNITY, LOSS OF GOODWILL, AND/OR CLAIMS OF CUSTOMERS OF THE OTHER PARTY FOR SUCH DAMAGES AND HEREBY WAIVE ANY RIGHT TO THE SAME; AND EACH PARTY HEREBY RELEASES THE OTHER PARTY AND THEIR RESPECTIVE PERSONNEL FROM LIABILITY TO THE OTHER FOR SUCH DAMAGE. CONTRACTOR AGREES, HOWEVER, TO INDEMNIFY COMPANY FOR CONSEQUENTIAL DAMAGES, SUCH AS LOSS OF USE AND LOSS OF REVENUE, TO THE EXTENT THEY ARE CAUSED BY THE GROSS NEGLIGENCE AND WILLFUL MISCONDUCT OF CONTRACTOR'S PROJECT MANAGER, PROJECT ENGINEERING MANAGER, CONSTRUCTION MANAGER AND THE VICE PRESIDENT OF OPERATIONS FOR CONTRACTOR, WHILE WORKING ON THE

PROJECT. GROSS NEGLIGENCE AND WILLFUL MISCONDUCT SHALL BE DEFINED AS THE INTENTIONAL FAILURE TO PERFORM A MANIFEST DUTY IN RECKLESS DISREGARD OF THE CONSEQUENCES AS AFFECTING THE LIFE OR PROPERTY OF ANOTHER.

11.2 Infringement: Contractor warrants that neither the Work nor use thereof by Sunoco will infringe any U.S. or foreign patent, copyright, trade secret, trade mark or any other property right. Contractor shall (1) defend, indemnify and hold Sunoco harmless from any claim, suit, action or proceeding for infringement or misappropriation of trade secrets in which Sunoco, its parents and/or its respective subsidiaries and/or affiliates, is made a defendant whether for an alleged infringement of any U.S. or foreign patent, trademark or copyright or other property right arising out of the Work or use of the Work, and (2) either (a) procure for Sunoco the right to continue to use the Work, (b) replace the Work with an equivalent non-infringing product; or (c) with the approval of Sunoco, remove the Work and refund all payments made by Sunoco for the Work. Contractor also shall pay and discharge any and all judgments or decrees which may be rendered in any such suit, action or proceeding against Sunoco, its parents or their respective subsidiaries and affiliates including reasonable attorneys' fees.

11.3 Insurance: Contractor shall procure and maintain with reputable insurers with AM Best Sunoco's of not less than "A-:VII" policies of insurance written on an occurrence basis or on claims made basis (in which event insurance shall be maintained during the term of this Contract and for a period of two years following expiration or earlier termination of this Contract), or self-insurance acceptable to Sunoco, with limits not less than those indicated for the respective items as follows:

11.3.1 Statutory Workers' Compensation and Occupational Disease Insurance, including Employer's Liability Insurance and, if applicable, coverage under the Longshoremen and Harbor Workers' Compensation Act, the Jones Act or other Maritime Employer's Liability, complying with laws of each jurisdiction in which any work is to be performed or elsewhere as may be required. Employer's Liability Insurance (and Maritime Employer's Liability, if applicable) shall be provided with a limit not less than: **$2,000,000** each occurrence;

11.3.2 Commercial Liability Insurance, including but not limited to all Premises and Operations, Contractual Liability, Products-Completed Operations Liability, Fire Legal Liability, Explosion, Collapse and Underground Damage Liability, Broad Form Property Damage Liability, and if applicable, Watercraft and Aircraft Liability, as well as coverage on all Contractor's mobile equipment (other than motor vehicles licensed for highway use) owned, hired or used in the performance of this Contract with limits not less than: **$5,000,000** Bodily Injury, Personal Injury & Property Damage combined each occurrence and aggregate;

11.3.3 Commercial Automobile Liability Insurance, including Contractual Liability, covering all motor vehicles licensed for highway use and employed in the performance of this Contract, with limits not less than: **$5,000,000** Bodily Injury, Personal Injury & Property Damage combined each occurrence and aggregate.

11.3.4 Contractor shall provide to the Contract Specialist certificates of insurance acceptable to Sunoco prior to commencement of performance hereunder. All insurance shall (i) provide that coverage shall not be suspended, voided, canceled, non-renewed, reduced

in scope or limits except after thirty (30) days' prior written notice has been given to Sunoco; and (ii) apply separately to each insured and additional insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

11.3.5 The Commercial General Liability and Automobile Liability policies shall be endorsed to add, or shall have an existing blanket endorsement so as to add, Sunoco as an additional insured; provided, however, that Sunoco shall be named as an additional insured only with respect to any claims arising out of or related to this Contract and/or Contractor's obligations hereunder; and shall provide that the coverage afforded to Sunoco as an additional insured will be primary to any other coverage available to it, and that no act or omission of Sunoco shall invalidate the coverage.

11.3.6 The insurance requirement set forth herein shall not in any way limit Contractor's liability arising out of this Contract, or otherwise, and shall survive the termination/cancellation of this Contract.

11.4 Bonds: If requested by Sunoco, Contractor shall furnish performance and payment bonds covering the faithful performance of this Contract. Such bonds shall be in a form and amount and with a surety satisfactory to Sunoco. The cost of such bonds, without mark-up, shall be paid by Sunoco.

ARTICLE XII: TERMINATION, CANCELLATION SUSPENSION AND FORCE MAJEURE

12.1 Termination for Cause: Sunoco may terminate this Contract, in whole or in part, for default if Contractor fails materially to perform any of its duties or obligations under this Contract. In particular, but without limitation, Sunoco may terminate this Contract if: (1) Contractor fails to prosecute the Work diligently, in accordance with the Project Schedule, achieve milestones set out or to make such progress in the Work as Sunoco reasonably believes is necessary to complete the Work within the time required by this Contract; or (2) Contractor fails to perform the Work in accordance with the Required Standard of Care or (3) Contractor fails to perform the Work in a good and workmanlike manner, or fails to correct defects in the Work promptly upon notice by Sunoco; or (4) Sunoco reasonably determines that Contractor has abandoned the Work, or has failed to pay any subcontractors, suppliers, or laborers when payment is due; or (5) Contractor becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition under any chapter of the Bankruptcy Code, has an involuntary petition filed against it, has a receiver appointed, or files for dissolution or otherwise is dissolved; or (6) Contractor fails to pay its debts in a timely manner, or (7) Sunoco has reasonably determined that Contractor does not have the financial ability to carry out its obligations under this Contract and Contractor fails to give Sunoco prompt and reasonable assurances of its ability to perform.

12.2 Notice for Termination: Except as provided in this Section, Sunoco will provide Contractor with written notice of its intent to terminate this Contract, under Section 12.1, five (5) days before actually putting the termination into effect. If Contractor has begun its curative action and has made progress satisfactory to Sunoco within the five (5) days, Sunoco may so notify Contractor and the termination will not take effect. Otherwise, the termination shall take effect after five (5) days without further notice or opportunity to cure. If Sunoco terminates this Contract for default, no further payment shall be due to Contractor and Sunoco will have

the right to take over the Work, to take and use all tools, equipment and supplies then being used in connection with the Work, and to finish the Work by whatever method it deems expedient, including accepting assignment of any or all outstanding purchase orders or subcontracts. Sunoco may terminate this Contract without prior notice or an opportunity for Contractor to cure the default, if the default involves risk of personal injury or property damage, violation of Sunoco's Safety and Security Requirements, environmental issues or violations of any applicable laws, codes, regulations or other standards applied by any governmental entity having jurisdiction over the Work.

12.3 Termination for Convenience: Sunoco may, upon five (5) days' written notice to Contractor, terminate this Contract for its convenience in whole or in part at any time without cause for such termination. After issuance of said written notice, Contractor shall terminate the Work as instructed by Sunoco. If Sunoco terminates this Contract for convenience, Contractor shall receive, as its sole and exclusive remedy, payment for the Work performed up to the date of the termination and all reasonable documented wind-up costs, including, without limitation, the costs of canceling open purchase orders and demobilizing from the project site. Contractor shall use reasonable efforts to mitigate wind-up costs. Contractor shall not be entitled to recover any amounts for unabsorbed overhead, anticipated profits on the unperformed portion of the Work, or lost opportunity. After receiving a notice of termination for convenience, Contractor shall place no further orders for material or equipment, issue no further subcontracts, and shall stop Work on the date given in the notice. Contractor shall consult with Sunoco regarding the disposition of existing orders and subcontracts, and use its best efforts to terminate them on terms favorable to Sunoco. Contractor shall likewise consult with Sunoco to decide what actions should be taken to protect Work in place and equipment or materials that have been delivered and not yet installed, and to render the project site safe.

12.3.1 If this Contract is terminated for cause, and it is later determined by the final order or judgment of a court of competent jurisdiction, arbitration entity or administrative proceeding of any type that Contractor was not in default, the parties agree that the termination shall then be considered a termination for convenience and Contractor shall receive, as its sole and exclusive remedy, those costs as set forth in Section 12.3.

12.4 Suspension of Work: Sunoco reserves the right to suspend the Work of Contractor at any time in Sunoco's sole discretion. Sunoco shall give Contractor written notice of such suspension of Work. Sunoco agrees to pay Contractor for Work performed and obligations incurred prior to the suspension and for costs that Contractor directly incurs in suspending the Work, provided that Sunoco has authorized such payments in advance. Other than documented, direct, demobilization and remobilization costs incurred by Contractor, Sunoco shall not be liable for any other costs, claims, damages or liabilities whatsoever of Contractor or its subcontractors including, without limitation, consequential, special or indirect damages, loss of anticipated profit or reimbursement, relating to unperformed Work. Additionally, Contractor shall mitigate suspension related direct costs to the best of his ability.

12.5 Payment upon Termination: In no event shall the amount owed to Contractor, if anything, upon termination of this agreement, exceed the total Agreement price, nor shall Contractor be entitled to loss of anticipated profit or overhead with regard to terminated work.

12.6 Force Majeure: If, because of force majeure, either party hereto is unable to carry out any of the obligations under this Contract, other than the obligations to pay money due hereunder, and if such party promptly gives to the other party hereto written notice of such force majeure, then the obligations of the party giving such notice shall be suspended to the extent made necessary by such force majeure and during its continuance, provided that the party giving such notice shall use its best efforts to remedy such force majeure

insofar as possible with all reasonable dispatch. The term "force majeure" as used herein shall mean acts of God; acts of public enemy; insurrections; riots; strikes; lockouts; labor disputes; fires; explosions; floods; breakdowns or damage to plants, equipment or facilities; embargoes; orders; or acts of civil or military authority; or other causes of a similar nature which are beyond the reasonable control of the party affected thereby. Any event such as fire; explosion; flood, breakdown or damage to equipment or facilities caused by Contractor's, or a subcontractors', actions or inactions shall not be deemed to be a force majeure event for the purposes of this Agreement. Upon the cessation of the force majeure event, the party that had given original notice shall again promptly give notice to the other party of such cessation.

ARTICLE XIII: REGULATORY, COMPLAINCE WITH LAWS GOVERNMENTAL AGENCIES

13.1 Health and Safety Requirements: Contractor shall comply with all applicable local and federal safety and health requirements, including OSHA. Contractor shall also comply with Sunoco's Safety Requirements, Attached hereto as Exhibit C, or any safety directions or rules reasonably issued by Sunoco to prevent injury or assure compliance with applicable law, whether or not Contractor agrees that those directions or rules are actually required in order to comply with applicable law., and for requirements in force at the time of issuance of the Purchase Order, do so without demanding further compensation from Sunoco for such compliance. Sunoco, at its sole option and without liability to Sunoco, may require Contractor to remove from its property any and all personnel of Contractor or its subcontractors who violate such practices and requirements.

13.2 Compliance with Laws: Contractor shall comply with all local, state and federal rules, regulations, orders, directives and statutes applicable to wage and employment practices and shall act in the best interest of Sunoco on matters which affect area labor practices and might lead to or set precedent. Contractor agrees all work performed incident to this Contract and all goods furnished under this Contract shall conform with all applicable federal, state and local laws. In performing this Contract, Contractor shall not discriminate or permit discrimination against any person because of race, color, religion, national origin, sex, disability, covered veteran status and/or sexual orientation. Specifically, Contractor agrees to comply with the regulations set forth in the Equal Opportunity Clause at 41 CFR 60-250.5(a), 41 CFR 60-741.5(a), 41 CFR 60-1.4, Executive Order 13201 and Section 202 of the Executive Order 11246, and all amendments thereto, unless specifically exempt. In the event of such discrimination, Sunoco may, in addition to any other rights or remedies available under this Contract, at law or equity, terminate this Contract forthwith. If this contract involves work being performed in the state of New Jersey, such conformance shall include compliance by Contractor with the New Jersey Domestic Security Preparedness Act, N.J. Stat. Ann.§ C.App.A:9-64 *et seq.* Contractor warrants and agrees that it has used and will continue to use due diligence to ensure that during the performance of this Contract, no officer, employee, agent or other representative of Contractor has made or will make any payment in violation of any applicable federal, state, or local law or regulation, and all amendments therein. Contractor shall supply such evidence of compliance as Sunoco may require.

13.3 Governmental Agencies: Contractor shall not have any contact with government agencies, including any taxing authorities, with regard to Sunoco Projects, without the prior notice and approval of Sunoco, unless required to do so by law. Contractor shall notify Sunoco of any and all interaction with government entities with regard to the prosecution of the work. Notice shall be provide in advance of any discussion with such entities when advance notice is possible, and immediate notice shall be provided when advance notice is not possible. Contractor shall

provide copies of all documentation between Contractor and any government agencies with regard to the Project.

13.4 Governmental Clearances. Where required by law, and/or by Sunoco site procedures, Contractor and all employees, agents, subcontractors and representatives will have the appropriate Transportation Worker Identification Card (TWIC) prior to being permitted access to the facility and shall maintain a current TWIC card during the time.

13.5 Safety Data Sheet Requirements: Contractor shall contact Sunoco's Safety and Health or Risk Management Departments or other Sunoco's authorized representative to request access to Safety Data Sheets (SDS) for areas where Work is to be performed prior to commencing any Work. Contractor shall review the SDS and ensure that its employees are advised of the location and accessibility of this hazard information. Contractor shall furnish copies of SDS to Sunoco for all substances to be used while performing Work at Sunoco's facility prior to use of such substances. Contractor shall maintain duplicate copies of said SDS in its field office at the Work site. Contractor shall not specify for use in the project any hazardous materials, including, without limitation, asbestos or PCBs, unless expressly authorized to do so in a writing signed by Sunoco.

ARTICLE XIV: LEGAL

14.1. Liens: To the full extent allowed by law, Contractor hereby waives its right to assert any Mechanics' lien or similar lien claim against Sunoco, the project site, or improvements thereon. Upon completion of the Work and as a condition precedent to final payment, Contractor shall deliver a full release of liens in such form as Sunoco may require. Contractor agrees that it shall defend, indemnify and hold Sunoco harmless from all resulting costs and attorneys' fees from all such claims or any mechanic's lien claim that is brought by any person supplying labor or materials for the Work. If any mechanic's lien is placed upon any portion of, or interest in, Sunoco, its facilities or any improvements thereon arising out of or relating to the Work, Contractor will promptly take all action to remove the lien, upon receiving notice from Sunoco or, failing that, will be liable for Sunoco's costs and attorneys' fees for doing so. Contractor agrees to insert a similar clause in all of its subcontract and supply agreements. In addition to any rights Sunoco may have under the law, Sunoco may withhold a retainage from each payment it makes to Contractor, to be paid Contractor after (1) the Work is completed as required and the retainage period required by applicable law has expired without issuance of a lien or claim, or (2) Sunoco is satisfied that all claims have been paid and liens removed. In addition, Sunoco may, at any time, require that Contractor post a bond, at no cost to Sunoco, to remove any claims or liens, or Sunoco may discharge or remove any such claims or liens by bonding, payment or otherwise, all of which are chargeable to Contractor, together with all attorney's fees and costs. Provided Sunoco agrees in writing, Contractor may provide an irrevocable standby letter of credit, naming Sunoco as beneficiary and in form and substance satisfactory to Sunoco, satisfaction of Contractor's obligations and liabilities as aforesaid and in substitution of any retainage.

14.2 Confidentiality: All plans, drawings, design and specifications supplied by Sunoco to Contractor shall remain the property of Sunoco, and any information derived therefrom or otherwise communicated to Contractor from Sunoco, shall be regarded by Contractor as confidential and shall not be disclosed to any third party without the prior written consent of Sunoco. Should Sunoco elect to provide Contractor with access to Sunoco's computer systems or network in connection with this Contract, Contractor agrees that upon termination or cancellation

of this Contract, it shall immediately discontinue any further use of such systems or network and return to Sunoco any information related to such systems or network. Further, Contractor agrees to abide by all of Sunoco's policies and procedures applicable to such use and access.

14.2 Dispute Resolution. If Contractor disagrees with any action or decision by Sunoco, or any claim or dispute otherwise arises involving this Contract, Contractor shall proceed with the Work, without interruption or delay, shall follow Sunoco's directions, and may bring a claim as provided in this Section. Contractor's failure to proceed with the Work as directed during the pendency of any claim or dispute shall constitute a material breach of this Contract.

The parties agree that any dispute that cannot be resolved amicably shall first be submitted to mediation before a mutually acceptable mediator, prior to either party's resorting to legal action. If the mediation has not concluded within 60 days of the initial demand for mediation, either party may then pursue litigation in accordance with this Section, without further recourse to mediation. If the parties are unable to agree upon a mediator within thirty (30) days after either notifies the other in writing of its intent to mediate, the mediator shall be appointed by the American Arbitration Association located in closest proximity to the project. Each party will bear its out-of-pocket costs of the mediation; all other costs of the mediation, e.g., mediator fees and related charges, will be shared equally. If the parties are unable to agree upon a site, the mediation will be held at a location selected by the mediator. A request for mediation will immediately suspend the running of any statute of limitations, until the mediation is completed or abandoned by either party, upon giving written notice to the other.

All disputes not resolved by mediation shall be decided by litigation in the federal of Philadelphia County. **BOTH PARTIES EXPRESSLY WAIVE THE RIGHT TO JURY TRIAL IN ANY LEGAL PROCEEDING IN ANY WAY ARISING OUT OF OR RELATED TO THIS CONTRACT, AND EXPRESSLY SUBMIT TO THE PERSONAL JURISDICTION OF THE COURTS NAMED IN THIS SECTION.**

14.3 Governing Law: This Contract shall be governed by and construed in accordance with the laws of Pennsylvania without regard to that state's otherwise applicable conflict of laws principles.

ARTICLE XV: MISCELLANEOUS

15.1 Amendments: No amendment, modification or supplement to this Contract shall be binding unless it is in writing, signed by both parties or their authorized representative. All notices under this Contract shall be in writing and addressed to Sunoco or Contractor as the case may be, and directed to the individual specified on the face of this Contract.

15.2 Controlling Provisions In Case Of Conflict: Should any conflict exist or seem to exist between any of the parts or Exhibits of the Agreement or Written Proposal or correspondence submitted by Contractor to Sunoco, the provisions of these Terms & Conditions shall control and be decisive of the issue. Contractor acknowledges that any correspondence or proposal submitted to Sunoco are not part of this Agreement unless accepted by Sunoco in writing. In the event of a conflict on the plans and specifications called for pursuant to this Agreement, Contractor shall notify Sunoco within 24 hours of noticing such conflict and Sunoco shall instruct Contractor, in writing, as to which plan or specification shall control. In no event shall Contractor be entitled to additional compensation for deviations or conflicts in drawings, plans or specifications.

15.3 Waivers: No waiver by either party of any breach of any of the covenants or conditions herein contained shall be construed a waiver of any succeeding breach of the same or of any other covenant or condition.

15.4 Assignment: Neither this Contract nor any claim against Sunoco arising directly or indirectly out of or in connection with this Contract shall be assignable by Contractor without Sunoco's consent in writing.

15.5 Severability: If any provision, or any part thereof, of this Contract is found by any court or governmental agency of competent jurisdiction to be invalid or unenforceable for any reason whatsoever, such invalidity or unenforceability shall not affect the remainder of such provision or any other provision hereof which shall remain in full force and effect.

15.6 Captions: Captions used in this Contract are not part of this Contract and are for convenience of reference only and shall not affect the meaning or construction of any of its provisions.

15.7 Integration: This Agreement contains all the terms and conditions agreed upon by the Parties, and no other Agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any party hereto or to vary any terms contained in this Agreement.

15.8 No Joint Venture: The Parties do not intend to create, and nothing contained in this Agreement shall be construed as creating a joint venture arrangement or partnership between Sunoco and Consultant.

15.9 Independent Contractor: Contractor and its subcontractors shall be independent contractor with respect to the Work, and neither Contractor nor its subcontractors, nor any person employed by any of them shall be deemed to be Sunoco's employees, servants, or agents in any respect. Nothing in this Contract shall be construed as creating a joint venture or partnership between Sunoco and Contractor. Contractor, as an independent contractor under this Contract, shall assume all of the rights, obligations and liabilities, applicable to it as such independent contractor hereunder and any provisions in this Contract which may appear to give Sunoco the right to direct Contractor as to details of doing the Work herein covered or to exercise a measure of control over the Work shall be deemed to mean that Contractor shall follow the desires of Sunoco in the results of the work only.

15.10 No Third Party Beneficiaries: Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon or give to any person, firm, corporation, or legal entity, other than the Parties, any right, remedies, or other benefits under or by reason of this Agreement.

15.11 Assignment by Contractor: Contractor shall not assign this Agreement, or any part of this Agreement, or any right to any monies to be paid under this Agreement, without, on each occasion, obtaining the prior written consent of Sunoco. In no case, shall approval by Sunoco of the assignment of any monies to be paid under this Agreement, relieve Contractor from its obligations hereunder, or change the remaining terms of this Agreement. Any purported assignment in violation of this Section shall be of no effect.

15.12 Counterparts: This Agreement may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument.

15.13 Severability and Partial Invalidity: The provisions of this Agreement shall be severable. If any provision of this Agreement, or the application thereof, for any reason or circumstances, shall to any extend be held invalid or unenforceable, the remaining provisions of this Agreement, or the application of such provision to persons or entities other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15.14 Survival: Any and all provisions set forth in this Agreement which, by its or their nature, would reasonably be expected to be performed after the termination of this Agreement, shall survive and be enforceable after such termination. Any and all liabilities, actual or contingent, which shall have arisen in connection with this Agreement, such as the obligation to indemnify, defend and hold harmless Sunoco, its officers, employees and agents as set forth in Section 7.2 (Indemnification) and the rights and obligations set forth in Article IX (Ownership of Materials; Proprietary Information; Confidentiality), shall survive the termination or expiration of this Agreement.

15.15 Notice: Any notice or other communication required or permitted hereunder, shall be given in writing to the other Party at the address below, or at such address as shall be given by the other Party in writing. Notice shall be deemed to have been given or made when delivered personally, including overnight courier or electronic transmission, provided that if notice is given by electronic transmission, it is followed within three (3) days by mailed or delivered written notice, or, if mailed, by certified mail, return receipt requested.

To Sunoco: Sunoco Pipeline L.P. and/or Sunoco Partners Marketing & Terminals, LP
100 Green Street
Marcus Hook, PA 19060
Ph: 610-859-6316
E-mail: PMHenry@sunocologistics.com
Attention: Patricia Flynn Henry

Send to Jamie Wilson

To Contractor: Welded Construction, L.P.
26933 Eckel Road
Perrysburg, OH 43551
Ph: 419-874-3548
E-mail: aepstein@welded.com
Attention: Alex Epstein

With a copy to: Renee Bisnett,
E-mail: rbisnett@welded.com

15.16 Headings: The headings in this Agreement do not in any way define, limit, describe or amplify the provisions of this Agreement, or the scope or intent of the provisions, and are not a part of this Agreement.

15.17 Citations: All statutory or other citations of law referenced in this Agreement shall refer to the statute referenced, as it may be amended or superseded from time to time.

15.18 Days: Any references to a number of days in this Agreement shall mean "calendar" days, unless business days are specified.

15.19 Number and Gender: Whenever the context requires, words used in the singular shall be construed to mean or include the plural and vice versa, and pronouns of any gender shall be deemed to include and designate the masculine, feminine or gender neutral.

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have caused this Agreement to be executed by their respective duly authorized representatives as of the date in the heading of this Agreement.

Sunoco Pipeline L.P. and/or Sunoco Partners Marketing & Terminals, L.P.	**Welded Construction, L.P.**
By:	By:
Name: RONALD L. HOVEY	Name: Richard C. Wall
Title: DIRECTOR PROCUREMENT	Title: President
Date: 10 - SEPTEMBER - 2015	Date: 10 - September - 2015

EXHIBIT A
SCOPE OF WORK

Contractor to provide construction and any other required services as specified in each purchase order issued by Sunoco.

EXHIBIT B
COMPENSATION

As specified on a purchase order approved and issued by Sunoco.

EXHIBIT C
HEALTH AND SAFETY REQUIREMENTS

Contractor Prequalification:

Those contractors not in the ISNET system must go through the “Manual Prequalification” process (PQF). Contractors represent and warrant that: (1) it has received, reviewed and completed the Sunoco Contractor Prequalification Package, which includes the Sunoco Contractor Prequalification form (PQF); (2) all of the representations, warranties and other information provided by Contractor in the PQF are complete and accurate as of the date of the execution of this Contract; and (3) if any facts or circumstances arise that render Contractor’s representations and warranties in the PQF inaccurate or incomplete, Contractor will provide prompt written notice to the Contract Specialist, updating the information in the PQF and explaining the circumstances requiring the update. Contractor’s failure to comply with the requirements of this Section shall constitute a material breach of this Contract and justify termination. Further, Sunoco, in its sole discretion, may terminate this Contract if it determines that the updated information provided by Contractor impacts Contractor’s qualifications or ability to perform the Work. The PQF completed by Contractor and all updates thereto are incorporated into this Contract by reference.

General

It is the goal of Sunoco Logistics Partners L.P. (Owner) to manage all construction projects to a plan of "Zero Incidents." Owner’s contract representative will provide all general contractors working in and around projects with an overview of Owner’s Safety and Security requirements. Each contractor will comply with all federal, state and local regulations, and any safety requirements Owner has listed pertinent to the job. The standard safety practices for general industry, construction, and the petroleum business must also be followed. All Sub-Contractors are also bound by the same regulations as the general contractor, and it is the general contractor's responsibility to inform and require all sub-contractors to follow Owner’s safety and security regulations. The Contractor shall conduct operations in a manner which shall prevent personal injury and property damage through fires, accidents, or otherwise, and to this end the Contractor shall furnish all necessary protective equipment and devices as stated in the Work Permit or other documentation, unless specified otherwise in the Contract. **Contractor shall provide at no cost to Owner all personal protective equipment, air monitoring devices, and other safety equipment unless otherwise specified by the Contract.**

Applicable to Nederland Terminal, Marcus Hook Industrial Complex, and Eagle Point Only:
All Contractor and subcontractor's personnel, who shall be working at Nederland Terminal, regardless of the type or duration of Work, shall have at no cost to Owner successfully completed “Basic Orientation Plus” and “Sunoco Logistics Site Specific” training through the Industrial Safety Training Council (ISTC) or an Association of Reciprical Safety Councils (ARSC) training facility. Proof of completed training will be required prior to entering the facility.

Owner's representative will conduct a Pre-Bid meeting, a Pre-Construction meeting, or both. During these meetings, OWNER'S representative will provide an overview of the contents of this document, discussing the minimum general and project specific safety requirements. Each contractor is then required to designate a project safety representative, develop a project specific Site Safety Plan and train all project personnel and subcontractor personnel in the project specific Site Safety Plan **PRIOR** to the commencement of any work. The plan and its contents are discussed in more detail in this document.

Pre-Construction Meeting

All Contractor and subcontractor's personnel, who shall be working at Owner facilities or Right of Ways, regardless of the type or duration of Work, shall attend a pre-construction safety meeting. This meeting shall be conducted by Owner's representative, and shall generally cover Owner's facility safety procedures and operating procedures. Safety Data Sheets (SDSs) for Owner's hazardous materials present at the worksite will also be reviewed at this meeting. Also at that time if the contractor will be introducing chemicals or hazardous materials to the Sunoco site they must provide these SDS's to Sunoco prior to bringing them onsite.

Owner's representative and all Contractor personnel during the safety meeting shall review this Section, Safety and Security Requirements. A safety meeting attendance sheet shall be completed and filed in Owner's facility project files.
All subsequent workers, primary contractor employees, or sub-contracted employees must have the same information presented to them. This communication and acquisition of signatures is the responsibility of the Primary Contractor Rep.

The Work Permit form shall be reviewed during the Safety Kick-off meeting.

Start-of-Work

Upon daily entrance onto Owner's work sites, all Contractor personnel shall identify themselves to Owner's representative, and will sign-in. Owner's representative shall be notified whenever entering or exiting Owner's facility. The prime contractor shall require all sub-contractors to also sign-in and inform the Owner representative of their arrival and departure.
The Contractor shall obtain the required Work Permit(s), before starting any work. The Contractor must inform Owner's representative of all work to be conducted at the worksite and any safety concerns on a daily basis. Owner's representative shall be involved in the general supervision and direction of the work dealing solely with the contractor and **not** with subcontractors. Owner's representative shall have full authority to stop the work when such stoppage may be deemed necessary for safety purposes and/or to ensure proper execution of the contract.

Safety Procedures

Health & Safety Plan

The Contractor shall prepare a Health & Safety Plan for the Work that is being performed. This will include:

- An organization structure chart with the safety representative designated,
- A work plan with a list of tasks,
- Emergency Procedures with directions to the closest hospital,

- Emergency phone number list,
- Specific safety requirements for each task listed in the work plan.

Additional procedures may be required, examples of which are in the list below. A copy of this plan shall be available to Owner or other outside authorities on-site for inspection.
The project specific "Site Safety Plan" shall address the following items to the satisfaction of the construction manager. The construction manager will review the site-specific safety hazards with the contractor before the starting of any work activities. The site safety plan need only address the items that pertain to the work being conducted, which may include:

- Work Permits, including Hot Work (Owner procedure will take precedence)
- Confined Space
- API Tank Ventilation Procedure
- Tank Entry and Work Area Ventilation
- Excavations and Trenching (Owner procedure will take precedence)
- Flammable and explosion Hazards
- Cranes, Rigging and Cribbing (Owner procedure will take precedence)
- Ladders and Scaffolding requirements
- Electrical Lockout and Tagout Procedures
- Emergency Response Requirements
- Emergency Response contact list
- Accident and Injury reporting
- Hazard Communication
- Proper Personal Protective equipment required (Owner procedure will take precedence)
- Product Transfer on Site - (Tank to Tank or Tank to Truck)
- Line and Tank Purging of Product
- The Contractor is encouraged to contact the Owner Health, Environmental & Safety (HES) Department or facility representative for assistance in developing the project-specific "Site Safety Plan."

Emergency Procedure

- Each site shall develop, post, distribute, and maintain an emergency response list. This emergency response list shall be maintained by the general contractor, managed by the construction group and issued before the start of construction. The general contractor shall update the list as changes occur. An evacuation area will be designated for each job site.
- Owner reserves the right to have the Contractor stop all Work at any time job conditions occur which would endanger personnel or property of either Owner or the Contractor should such Work continue. The Contractor's personnel shall follow the instructions given by Owner’s representative during an emergency.

- If a hazardous material spill occurs, only properly trained personnel should attempt cleanup activities. All other personnel should notify Owner's representative immediately.
- The Contractor will make each of his Sub-Contractors aware of these procedures and requirements.

Electrical Equipment - Lockout and Tagout Procedures

- Before any Work is started on electrical equipment, the electrical circuit must be de-energized by turning the control switch to the off position and then locked or sealed in that position.
- Owner's representative must be advised of such de-energizing before work. All OSHA lockout / tag-out procedures must be followed.

Asbestos

Some pipeline coatings may contain non-friable asbestos. Worker exposure monitoring for airborne asbestos has been conducted while removing the pipeline coatings using methods described below. All contractors conducting pipeline coating removal must use the methods listed below and ensure that contractors' employees have been trained in these methods as well as the requirements specified in the OSHA Asbestos Construction standard (29 CFR 1926.1101). Refer to the Training section of this document for more information regarding training requirements for working with pipeline coatings containing asbestos.

Unless there is evidence to the contrary, assume that the pipeline coating contains asbestos, and use the following procedures or equivalent:

- The material shall not be sanded, abraded, or ground.
- All removal or disturbance of pipeline asphaltic wrap shall be performed using wet methods.
- Manual methods, which prevent the material from becoming 'non-intact', shall be used as follows:
    - Wet down the pipe coating with amended water (water with a few drops of a mild dish soap such as Dawn)
    - Strike the coating with a hammer, cracking the coating into relatively large pieces, catching the pieces that fall on plastic sheeting below the pipe.
    - Scrape off any coating that remains on the pipe using a drawknife as needed to prepare the pipe for repair.
    - Decontaminate tools using amended water and double-bag and disposable PPE, plastic sheeting and pipe coating in 6 mil poly bags for disposal
    - Repair pipe as needed
    - Re-coat pipe with non-asbestos coating and backfill excavation.
- Use of respirators, labeled disposal bags, and performance of air monitoring are NOT required for removal of intact non-friable asbestos pipe coating.

Chemicals (Hazard Communication)

Upon request, the Contractor shall supply the Owner representative with MSDSs for all hazardous materials and supplies brought on the job site which are being used, stored, or installed.

Confined Space Entry Procedures

- Owner requires the Contractor to provide an Oxygen level meter, a combustible gas meter, and detectors for any hazardous substance that could be in or near the confined space. The Contractor is responsible for monitoring the atmosphere whenever his employees are working in a confined space.
- All contractors shall strictly comply with requirements of 29 CFR 1910.146, particularly as it pertains to the confined space attendant. This attendant must be positioned so that all contractor personnel working within the confined space can be kept under observation and communication shall be maintained at all times.
- The contractor shall provide a qualified confined space entry supervisor who shall be responsible for all health, safety, and environmental aspects of confined space work.
- For aboveground storage tanks containing petroleum products, an Oxygen meter and combustible gas meter are acceptable at most facilities. Owner's representative shall use the facility's own monitoring equipment to confirm proper operation of the Contractor's equipment. This shall be done upon issuance of the Work Permit requiring such equipment. The contractor must conduct follow up testing and continuous monitoring. To assure reliability, all air quality testing equipment must be calibrated before confined space entry.
- A Work Permit must be issued before entry into any confined space.
- Owner representative will discuss the following information regarding confined space entry with the Contractor:
    - The Contractor shall be informed that some Owner workplaces contain confined spaces requiring permits and that confined space entry is allowed only through compliance with the confined space entry program.
    - The Contractor shall be informed of the location of all confined spaces on the worksite.
    - The Contractor shall be apprised of the elements, including the hazards identified and Owner's experience with the confined space, that make the space in question a confined space requiring a permit.
    - The Contractor shall be apprised of any precautions or procedures that Owner has implemented for the protection of personnel in or near confined spaces where the Contractor shall be working.
- Owner shall coordinate confined space entry operations with the Contractor, when both Owner's personnel and Contractor's personnel will be working in or near the confined space.
- The Contractor shall be debriefed at the conclusion of the confined space entry operation regarding the confined space entry program followed and regarding any hazards confronted or created in confined spaces during entry operations.

- The Contractor shall obtain any available information regarding confined space entry hazards and entry operations from Owner.
- The Contractor shall inform Owner of the confined space entry program that the Contractor will follow and of any hazards confronted or created in the confined space, either through a debriefing or during the entry operation. These procedures are to be implemented according to Owner's Confined Space Entry Procedures.

Hot Work

- Hot work is defined as any operation or procedure involving sources of ignition or temperatures sufficient to cause ignition of a flammable mixture. This includes work requiring the use of welding, burning, grinding, or soldering equipment, blow torches, some power driven tools, portable electric equipment not intrinsically safe or contained with an explosion-proof housing, sand blasting, or operating internal combustion engines.
- Unless otherwise specified, the contractor shall provide the equipment and qualified personnel to test the work site with a calibrated combustible gas indicator, and hot work shall not commence until the area is tested and declared vapor free and safe for hot work. **A hot work permit** issued by Owner’s representative will be used in conjunction with the monitoring. Adequate ventilation shall be provided to disperse gases, which might otherwise accumulate during progress of work. Where conditions are such that flammable vapors could be generated, the work site shall be kept under surveillance by a combustible gas monitor in continuous use. All hot work shall cease whenever the atmosphere in the vicinity of work reaches 10% of the lower flammable limit (LEL) or greater. Work shall not resume until the source of vapors has been located and controlled.

Fire Protection

- Fire protection and extinguishing equipment must be available and deployed as necessary in all work areas, especially where "Hot Work" is being performed. This includes one or more personnel designated as fire watches, as appropriate. The Contractor will furnish this equipment unless otherwise specifically agreed to in writing by Owner’s representative. Before beginning work, the contractors shall determine the type and amount of fire equipment needed.
- The fire watch shall man extinguishers during hot work operations. Depending on the scope of hot work, more than one fire watch may be required.
- Whenever a fire extinguisher has been used, this fact must be reported immediately to Owner’s representative. The used fire extinguisher must either be removed from the area or be identified as being spent, or immediately recharged.

Personal Protective Equipment (PPE)

- When working on a Owner job, the Contractor's personnel are required to wear ANSI-approved safety glasses with attached side shields and to be fully clothed, including appropriate foot wear and full length trousers. All PPE must be worn per the manufacturer's instructions. Owner's PPE requirements are attached to the end of this document.

- Special protection, such as particulate respirators or air breathing equipment, may be required especially when working in or around equipment, which has contained leaded gasoline or where exposure of friable asbestos has been identified. The contractor shall ask the Owner representative regarding the PPE requirements. The representative will specify other PPE requirements or exceptions on the work permit.
- For greenfield projects the contractor should follow the Owners welding PPE requirements.

Cranes, Rigging and Cribbing

All Contractors and their Subcontractors utilizing cranes, rigging and cribbing during execution of their work shall be solely responsible for the proper setup, inspection, operation, maintenance, and disassembly of said equipment. Contractor and/or

Subcontractor management shall not allow untrained or unauthorized personnel to perform any activities involving the assembly, use, and disassembly of cranes, rigging and/or cribbing.

Contractors and or their Subs should insure that they check with Sunoco safety as Sunoco has specific requirements for Crane Activities. Sunoco requires a lift plan for the following scenarios:

Lift Plans - A Crane Lift Plan is required under any one of the following conditions:

- The lift is greater than 70% of the cranes maximum capacity
- The lift is over pipeline that has the potential to contain product or residual
- The lift is within 20 ft of energized electrical lines
- The lift requires two or more cranes (a dual lift)
- Lifts while a diver is in the water
- The lifted load will be out of the view of the operator
- Personnel lift

The Lift Plan (Appendix A) must be completed and approved prior to work commencing. This means it must be completed in time for all applicable personnel to review and approve. Alternative lifting schemes must be evaluated with consequence potential considered. A trial/test lift (away from the equipment) will be required when possible. Redundant rigging must be considered, all of the rigging components (shackles, slings, etc.) must be inspected by the qualified personnel, and the rigging point for the object being lifted must be inspected. The Crane & Load placement and rigging diagram must be complete including dimensional placement of the crane showing any large.

Substance Abuse

- The use of or possession of alcohol, illegal drugs, or the improper use of legal drugs is prohibited within Owner facilities. The contractor's employees, agents, or suppliers shall not enter Owner facilities while under the influence of illegal drugs or alcohol.
- Entry onto the property of Owner constitutes consent on the part of all contractor employees to submit to a substance test when reasonable cause warrants such testing. Such testing shall be conducted at the direction of Owner and at the sole expense of the contractor. Any contractor employee testing positive for alcohol, illegal drugs or the improper use of legal drugs shall be removed from the facility.
- Any Contractor employee removed from Owner facilities under the Substance Abuse policy will be removed for a minimum of one year.

- Any contractor employees using prescription medicine shall notify their supervisor, and where the medication could affect the safe performance of the work, job reassignment will be made. Anyone violating the requirements of this section shall be removed from the facility.

Equipment Inspection

- All equipment, including heavy equipment, must be inspected before use for safe operations.

Training Requirements

GHS Hazard Comunication Training

- If any Contractor personnel handle potentially hazardous materials, then they are required to have the most up to date GHS Hazard Communication Training. This training includes a review of SDSs for materials being used as part of the Work, either Owner's or Contractor's materials, plus a review of safety precautions, first aid measures and personal protective equipment required for safe handling of these materials.

Asbestos

Some pipeline coatings may contain **non-friable** asbestos. Contractors conducting pipeline coating removal must ensure that contractors' employees have been trained in these methods as well as the requirements specified in the OSHA Asbestos Construction standard (29 CFR 1926.1101). Refer to the pipeline coating procedure on page three of this document. When installing, removing, repairing, or maintaining intact pipe line asphaltic wrap which contains asbestos fibers encapsulated or coated with bituminous or resinous compounds, compliance with all the requirements below are deemed to be in compliance with the OSHA Construction Standard for Asbestos, 29CFR1926.1101(g)(11) and (k)(9)(viii).

All employees performing work on intact pipeline asphaltic wrap shall be trained as follows under 29CFR1926.1101(k)(9)(viii).

- The training must be conducted in a manner that the employee can understand;
- The employee must be informed of the following:
    - Methods of recognizing asbestos;
    - The health effects associated with asbestos exposure
    - The relationship between smoking and asbestos in producing lung cancer
    - The nature of operations that could result in asbestos exposure, necessary protective controls, work practices, respirators, housekeeping procedures, hygiene facilities, protective clothing, decontamination procedures, emergency procedures, waste disposal procedures, and instruction in these control procedures
    - The purpose, proper use, fitting instructions, and limitations of respirators
    - The appropriate work practices for performing the asbestos job

- Medical surveillance program requirements (non-required for work tasks with Negative Exposure Assessment)
- The content of OSHA Standard 29CFR1926.1101
- The names, addresses, and phone numbers of public health organizations which provide information, materials and/or conduct programs concerning smoking cessation
- The requirements for posting signs and affixing labels and the meaning of the required legends for such signs and labels.

HAZWOPER (HAZardous Waste Operations and Emergency Response) Training

- For Contractors conducting emergency response or spill clean-up activities, the Contractor employees will have the required OSHA Hazwoper training (29 CFR 1910.120) prior to beginning work. All other contractors will have the Hazwoper Awareness Level training.
- If the Contractor may be involved in an uncontrolled release but will not clean up the hazardous material, then **First Responder awareness level** training is required. This level requires sufficient training or proven and documented experience in specific competencies. Hazardous communication training and general awareness as to the chemicals and hazards located at the site will meet this requirement. This type of training usually involves one to four hours at the work site
- If the Contractor may be involved in an uncontrolled release and will clean up a small release of hazardous material with absorbent pads, then **First Responder operations level** training is required. This is an 8-hour training course.
- If the Contractor may be involved in an uncontrolled release, plan on patching or plugging the release, and will clean up a large release of hazardous material, then **Technician level** training is required. This is a 24-hour training course.
- If the Contractor is going to be involved in disposal and/or clean up of hazardous materials from Owner's facility, then a 40-hour Hazwoper training course is required.

Electrical Equipment - Lockout and Tagout

- The Contractor's personnel are required to have Lock Out/Tag Out training if they will be performing the necessary task to de-energize, lockout and tag out electrical and power sources and equipment on Owner projects.

Confined Space Entry

- All contractor personnel shall have **Confined Space Entry** training prior to entering storage tanks or other areas with limited entrance/egress that are determined to be permit required confined spaces by the Owner representative.

Site Safety Plan

- Each contractor is required to train all project personnel and sub contractor personnel in the project specific site safety plan **PRIOR** to commencement of any work.

PPE

All contractor personnel shall be trained by the contractor on the proper use, care, and storage of the personal protection equipment required during the project.

Training Documentation

- **Before arriving on site** for the start of the Work requiring any of the above training, the Contractor shall give Owner's representative either copies of certificates from a training agency for each employee, or a letter from the Contractor. This letter shall state the names of Contractor employees who attended the training, the name of the trainer and Company who conducted the training, a brief description of the training session content, the length of the training session and when the training took place. No Work shall be allowed to start until the necessary documentation is received.
- Applicable to Nederland Terminal, Marcus Hook Industrial Complex, and Eagle Point Only:

  All Contractor and subcontractor's personnel, who shall be working at these locations, regardless of the type or duration of Work, shall have at no cost to Owner successfully completed "Basic Orientation Plus" and "Sunoco Logistics Site Specific" training through the Industrial Safety Training Council (ISTC) or an Association of Reciprical Safety Councils (ARSC) training facility.

  Proof of completed training will be required prior to entering the facility.
- Owner shall not be responsible for any costs incurred by the Contractor if Owner rejects any of their personnel due to a lack of Owner-required training.

Operational Procedures

Licenses

- The Contractor shall provide Owner with copies of all required Licenses prior to the start of the Work, as appropriate, e.g., lead abatement, asbestos removal, etc.

Area Restrictions

- Contractor personnel must **not** enter any area other than the one in which the Contractor is performing Work. In going to and from such work areas, Contractor's employees must remain on established routes specifically agreed to by Owner representatives.

Blocking Roadways

- In order that fire and emergency vehicles shall have clear access to all parts of the facility, tools, equipment, vehicles, debris, or mobile equipment should not block roadways.
- In the event it is necessary to block a roadway temporarily, permission must be secured from Owner's representative.

Compressed Gas Cylinders

- The following rules must be followed concerning all compressed gas cylinders, including but not limited to, air, oxygen, acetylene, nitrogen, ammonia and hydrocarbons:
    - Cylinders must be removed immediately upon the completion of a job. Owner's representative must specifically authorize exceptions to this.
    - Cylinders must be used, stored, and transported with extreme care.
    - Cylinders must be securely fastened and supported at all times. Chains are recommended for fastening large equipment.
    - Protective caps must be kept on all cylinders not in use; if a cylinder is left unattended with a hose and torch connected, the cylinder valve must be closed, regardless of the duration of time unattended
    - Oxygen and acetylene cylinders stored in the same location must be segregated by a minimum distance of (20 ft), or a five-foot-tall non-combustible fire wall capable of withstanding a fire for one-half hour.
    - The number of cylinders used on a job in an operating area must be kept to an absolute minimum.
    - Cylinders being transported to or from a job by truck or other conveyance must have protective caps and be surely fastened and supported (or be in a suitable cylinder basket). They may not be carried in a choke hitch.
    - Cylinders must be stored away from an operating area with protective caps in place and securely fastened or supported.
    - Oxygen cylinders must not be used or stored where oil spills could come into contact with the valve or attached equipment.

Excavations

- All excavations over 5 feet are to be sloped, stepped back, or shored with adequate designed shoring to protect the contractor's and Owner's personnel and in accordance with federal OSHA standards. Excavations less than 5 feet will require sloping at the discretion of an Owner's competent person.
- All surface encumbrances must be removed or supported to safeguard employees.
- The location of underground utilities and other installations, such as sewer, power lines, water lines, etc. must be determined prior to initiation of excavation through use of the One Call system.
- Utility Companies or Owners shall be contacted and advised of proposed work prior to work.
- When excavations approach the approximate location of underground installations, the location of the installation shall be located using safe and acceptable methods.
- Structural ramps used by employees for entry and egress from the excavation must be designed by competent person
- No employee shall be permitted underneath loads handled by lifting or digging equipment.

- If there is the potential for a hazardous atmosphere, the Contractor will conduct appropriate air monitoring.
- Ventilation shall be provided, when necessary to assure that workers are not exposed to atmospheres containing concentrations of flammable gases in excess of 10 % of the Lower Explosive Limit (LEL)
- Workers may not work in excavations where water has accumulated or is accumulating unless adequate precautions have been taken to assure protection of workers form the hazards of such accumulation.
- Daily inspections of sites must be performed by a "competent person" to determine if cave-ins, failures of protective systems, hazardous atmospheres, or other hazardous conditions have developed.
- Owner's confined space entry procedures are to be followed for excavations, which meet the definition of a confined space.
- Contractor must also provide necessary guardrails and night lighting along trenches, roadways, or cross walks where operating personnel might be injured.
- Excavations greater than 20' depth require protection designed by a professional engineer.
- Protective shield systems must be from a shield manufacturer, not "home-made."
- Travel distance within an excavation shall not exceed 25' to the nearest ladder or other means of egress.

Dike Walls, Fire Walls and Operating Areas

- No cars, trucks or other internal combustion engine equipment, nor any fire or heat producing equipment shall be permitted inside storage tank dike walls or fire walls without first having obtained a Work Permit from Owner's representative. Contractor equipment must **not** be left operating while unattended in a hazardous area unless specifically authorized by Owner.
- A Work Permit shall be required for the opening of any dike wall or firewall. Any dike wall or firewall opened under authority of such permit shall be closed at the end of each and every workday. An exception to this requirement would involve a dike wall or firewall where **no liquid material is being stored**.

Temporary Lights & Flashlights

- Lights and flashlights used must be of the explosion-proof type approved as 'Permissible' by Underwriter's Laboratory and/or Mine Safety and Health Administration when used in a potentially explosive area.
- Portable electric lighting used in wet or moist location shall be operated at a maximum of 12 volts.
- No artificial lights, other than the Owner's-approved artificial lighting shall be used inside a storage tank until the tank has been tested and found to be gas free.

Housekeeping

- During the course of the project, all construction operations, alteration, or repairs, shall be performed in accordance with specific OSHA standards (29 CFR 1926.25) applying to housekeeping at worksites. The following general housekeeping requirements shall be strictly adhered to:
    - Form and scrap lumber with protruding nails, and other debris, shall be kept cleared from work areas, passageways, and stairs
    - Combustible scrap and debris shall be removed at regular intervals in a safe manner.
    - Containers shall be provided and used for the collection and separation of waste, trash, oily and used rags, and other refuse.
    - Over-weighting of floors and catwalks with equipment and debris is to be avoided.
    - Curbing is to be installed on scaffolds, catwalks, and upper floor when necessary to prevent debris from falling or spilling overboard.
    - Stairways and passageways are to be kept open and free of obstruction.

Injury to Contractor Employee

- It is the Contractor's responsibility to provide first aid injury treatment, transportation, hospital arrangements, investigation and OSHA reporting of all accidents occurring to Contractor's employee while on Owner's premises or job.
- The Contractor is requested to report such injury promptly to Owner's representative so that appropriate reports can also be filed in Owner’s office.
- The Owner Incident Reporting and Investigation form (SIRIS form) shall be completed for each contractor injury on a Owner work site.

Line Shut-off

- The opening and closing of any of Owner’s valves is to be performed only by Owner's representative, or under his direct supervision.

Parking

- Owner shall cooperate when possible in efforts to provide Contractor's employees parking space within a reasonable distance of the Work site.
- Advance notice of requirements must be given to Owner’s representative, who shall advise the Contractor of the approved parking area and the gate which must be used by Contractor's employees to reach the designated area.
- Some facilities require vehicles to be backed into parking places. The Contractor will check with the Owner representative regarding the parking requirements.
- Contractor's employees must not use parking facilities provided for Owner's employees, unless Owner authorizes such action.
- All Contractor equipment or vehicles should be removed from hazardous areas (e.g.. tank farms) during non-working hours

Photographs

- Photographic equipment is prohibited, except as specifically authorized in writing by Owner.
- Photography using a flash requires a hot-work permit in an operations area.

Railroad Right-of-Ways and Railroad Cars

- Standard clearance of 10 feet from the closest rail shall be maintained so as not to interfere with use of the tracks.

Sanitary Facilities

- The Contractor and subcontractor shall provide sanitary facilities for their personnel, which shall meet applicable local codes.
- The Contractor's personnel are not to use Owner's toilet, locker room, or wash up facilities unless specifically authorized to do so by Owner's representative.

Ladders and Scaffolding

- Ladders and Scaffolds must be of standard approved construction, and must be erected to meet OSHA, state and local codes. The ladders and scaffolds must be constructed/used in accordance with the manufacturer's guidelines.

Signs

- The erection of signs by the Contractor on Owner's property should be discussed with Owner's representative.
- When necessary to erect signs, permission must be given by Owner's management.

Smoking

- Smoking by Contractor personnel in Owner's facility or other work areas is prohibited except where specifically designated by Owner.
- Owner's designated smoking areas or shelters may be used by the Contractor's employees if specifically authorized by Owner's representative. If overcrowding results because of the large number of Contractor employees, Owner's representative shall deny permission to use Owner's facilities.
- Requests for additional or alternate Contractor smoking areas must be submitted to Owner's representative. Written approval must be obtained prior to erection or use of such alternate facilities or area.

Temporary Buildings

Temporary buildings must not be erected without first obtaining written approval of Owner's representative and then only in accordance with such approval.

Temporary Walks, Floors and Roadways

- Temporary walks, floors and roadways must be installed whenever an existing walk, floor or roadway is disturbed. Owner's representative must approve variance from this.

Utility Connection

- Connection to any of the facility's utility systems (water, electric, plant air, etc.) must be approved through Owner’s representative.

Hazard Assessment
(Review with personnel & contractors before a project begins)

Location: _____ Date: _____

Emergency phone numbers:

Sunoco contact person _____ At _____ - _____
Ambulance phone # _____ - _____
Hospital phone # _____ - _____
Fire Department # _____ - _____
Directions to hospital: _____ - _____

_____
_____
_____

Potential Hazards[1]

_____ Exposure to vapor
_____ Pressure in the line
_____ Release of hydrocarbon with pressure
_____ Fire/explosion
_____ Equipment connections between underground and surface
_____ Electric exposure
_____ Welding flash
_____ Slips, Trips, Falls
Terrain
_____ Rocky
_____ Slippery
_____ Steep
_____ Other

_____ Hydrogen Sulfide present
_____ Benzene present
_____ Trenching, sloping, shoring
_____ Confined space entry
_____ Unmarked pipelines, cables, and other hazards
_____ Poison ivy, oak, etc.
_____ Housekeeping
_____ Pinch points
_____ Slings/Rigging failing
_____ Falling objects
_____ Noisy Equipment
_____ Other Hazards _____
_____ Other Hazards _____

Required PPE under certain conditions

	Condition	**Precaution**
_____	Line is open	Flame resistant clothing
_____	Noisy Equipment	Hearing protection
_____	Handling materials	Work gloves appropriate for task
_____	Materials stored overhead	Hard hats
_____	Exposure to liquid hydrocarbons	Rubber gloves, e.g., Nitrile
_____	Welding	Welding goggles or hood
_____	When Total Hydrocarbons > 100PPM Measured with GasTech or Draeger tube	Respirators

_____

Review MSDS for product hazards and chemical components

Insert contractor company name here

Site Safety Plan for

Insert Project Name

Insert Sunoco Logistics Facility Name here

Emergency Phone Numbers:

Fire 911

Ambulance 911

Police 911

Hospital

Hospital Name	Insert name here
Address	Insert address here
Directions	Insert detailed directions

Insert Contractor Company Name Emergency Phone Numbers:

Name	Title	Numbers

Sunoco Logistics Emergency Phone Numbers:

Name	Title	Numbers

Serious Incidents:

24 Hour Sunoco Logistics Emergency Number: 800-SUN-CALL (800-786-2255)

Sunoco Logistics Management: Insert Contact Name

Insert Phone No. (Office)

Inset Phone No. (Cell)

Insert Phone No. (Home)

Emergency Response:

In the event of a fire, the following steps will be taken:

1. The first person on the scene shall assess the situation and call Insert emergency number, 911 or direct dial giving the dispatcher all pertinent information including the terminal address, which is:
   Insert Sunoco Logistics Facility Address
2. Sunoco Logistics facility manager and operator will also be informed immediately.
3. After the initial steps of responding to an emergency are performed the Insert Contractor Company Name employees must report to the emergency assembly area.

In the event of an injury/incident, the following steps will be taken:

1. The first person on the scene shall assess the situation. If medical assistance above and beyond First Aid is needed an ambulance shall be called for. The person calling for an ambulance shall stay on the line and give the dispatcher all pertinent information including the facility address, which is:
   Insert Sunoco Logistics Facility Address
2. In the event of a minor injury that just requires first aid the first qualified person on the scene shall assist the injured person. If the minor injury requires medical attention the injured person should go to:
   Insert local hospital name and address
3. All injuries must be immediately reported to the Insert Contractor Company Nameforeman who will notify Sunoco Logistics representatives.

Emergency Assembly Area:

Employees will proceed Insert/specify designated assembly point (be specific). All personnel will remain there until everyone that signed in to the Insert Sunoco Logistics Facility Name are accounted for according to the evacuation plan posted in the facility office.

Hazard Communications:

MSDS for all chemicals that are being used on the job are Specify location of Contractor MSDSs. All MSDS for chemicals used by Insert Contractor Company Name employees are also held by their safety director Insert Contractor Safety Director Name. MSDSs for all chemicals used by Sunoco Logistics can be found Insert specific Sunoco Logistics Location

Work Permits:

Upon daily entrance into the terminal, the contractor foreman must check in with Sunoco Logistics representatives and sign off on all work to be conducted on the worksite that day and any related safety concerns. The foreman shall acquire the appropriate permits before performing any work that day.

Energized Equipment – Lockout Tagout Procedures

Before any work is performed on and energized equipment, that equipment shall be locked and tagged out according to insert Contractor Company Nameand Sunoco Logistics Lockout / Tagout procedures.

Personal Protective Equipment:

All personnel will wear the personal protective equipment appropriate for the task(s) being performed. This will include the following:

- ☐ Hard Hat,
- ☐ Safety Glasses with ANSI Z87 approved side shields,
- ☐ Face shields,
- ☐ Gauntlet or welding style work gloves and long sleeve shirts will be worn when grinding, buffing, or torch cutting.
- ☐ Low voltage gloves (with a glove rating of 1KV) for performing hot tap procedure on CB-11.
- ☐ ABC type Fire extinguishers will be available for all employees performing hot permit work.
- ☐ Respirators will be worn for all employees working in areas that may have a hazardous atmosphere, which can be abated by the use of a respirator.
- ☐ Employees subject to working areas that have hazardous atmospheres must test that area before entering with the use of an air-sampling meter appropriate for gasses, mists or vapors present in that area.

Confined Space Work

All confined space work will be performed according to insert Contractor Company Name and Sunoco Logistics “Confined Space Entry” procedures.

Hot Work:

1. A hot work permit must be obtained from Sunoco Logistics representatives before performing any hot work.
2. Before and while performing any hot work within the terminal the work site must be tested with a combustible gas indicator. insert Contractor Company Name employees will use a calibrated combustible gas indicator that measures both LEL and oxygen. The air sampling equipment will be calibrated before its use each shift.
3. Two 30 lb. ABC type fire extinguishers will be present when any hot work is performed. A fire watch is required during hot work.

Fall Protection

All work over the height of 6’ will be done according to 29 CFR 1926 Subpart M (Fall Protection).

Other:

Any work outside the scope of these safety guidelines will be followed according to the insert Contractor Company Name Safety Program or as directed by insert Contractor's Safety Directr name.

The following THREE EXAMPLES are provided to assist in completion of JSAs (Job Safety Analysis) for the project. Add, delete, or modify as necessary.

Insert company name here

JSA

Insert Project Name

Insert Sunoco Logistics Facility Name here

Job	***Hazards***	***Abatement***
Transporting personnel and equipment to the job site	-Vehicular Failures -Driver Failures -Environmental Failures	-Drivers will hold the appropriate licensing for the class of vehicle they are driving. -Driver will perform a pre trip inspection before vehicle departs.
Move in to the job site	-Personnel unfamiliar with job site -Lost of loads due to improper material handling procedures	-Hold a site specific safety meeting with all company personnel -Hold a pre-job safety meeting -Provide training for proper material handling and rigging. -Tour the work site and review the work to be done with all personnel.
Excavating & Dirt Removal	-Contaminated Soil -Damage to underground piping utilities or conduit -Back Injuries -Struck by injuries	-Observe and test soils for contamination during excavation. -Separate contaminated soil -Locate all underground utilities and other obstructions. -Barricade equipment-operating area. -Hand dig delicate obstructions. -Use proper hand digging techniques to avoid back injuries.

Insert company name here

JSA

Insert Project Name

Insert Sunoco Logistics Facility Name here

Job	***Hazards***	***Abatement***
Installation of Petroleum Counter, Blend Valve, and Temperature Probe.	-Possibility of Electrical Shock	-Lockout Tagout procedures will be followed to Lockout PP2 at JB120
Energizing Tank Lighting and Offload area Lighting	- Possibility of Electrical Shock	-Lockout Tagout procedures will be followed to Lockout PP2 at JB120
Installation of pump #2 (P-2)	-Possibility of Electrical Shock	-Lockout Tagout procedures will be followed to Lockout motor starter #2 (MS-2) at (SW-3) disconnect/breaker.
Installation of pump #3 (P-3)	-Possibility of Electrical Shock	-Lockout Tagout procedures will be followed to Lockout motor starter #3 (MS-3) at (SW-3) disconnect/breaker.
Installation of pump #4 (P-4)	-Possibility of Electrical Shock	-Lockout Tagout procedures will be followed to Lockout motor starter #4 (MS-4) at (SW-3)
Remove motor starter #3 (MS-3)	-Possibility of Electrical Shock	-Lockout Tagout procedures will be followed to Lockout (SW-3)
Circuit Breaker 11 (CB-11) Hot Tap Procedure	-Possibility of Electrical Shock	-Employee will wear all appropriate PPE including but not limited to low voltage gloves (1KV), Hard Hat with face shield or goggles and Rubber insulated shoes or mat. -Employee will have a hot tap watch. -Employee will not wear any conductive or loose clothing.
Installation of lighting power conduit into terminal office	-Foreign object in eye	-Employee will wear appropriate eye and face protection during block drilling procedures.

Insert company name here

JSA

Insert Project Name

Insert Sunoco Logistics Facility Name here

Job	***Hazards***	***Abatement***
Wire Pulling	-Strained body -Lacerations to hands	-Employee will use correct body positioning when pulling wire. -If tension of wires being pulled exceeds that which is reasonably handled by one employee wire pulling equipment will be used. -Employee will wear appropriate gloves if there is a possibility of lacerations to the hands due to sharp objects near the pulling area
Cutting and Threading of rigid pipe.	-Lacerations to hands. -Foreign objects in eyes -Cutting Fluid -Employee being caught in cutting head of threading and cutting equipment. -Possibility of electrical shock	-Gloves will be worn when there is a chance of lacerations to the hands -Safety glasses will be worn at all times -MSDS for cutting fluid will be kept on site. -Employee will not wear loose clothing or other articles of clothing that could become caught in the cutting and threading head. -Cutting and threading equipment will be used with GFCI protection.
Electrical Grounding	-Possibility of burns from Cad welding process -Ignition possibilities	-Employee will wear gloves during Cadwelding operations. -Employee will follow all the guidelines of a hot work permit when performing Cadwelding procedures.
Installation of Tank Lighting	-Falling hazards	-Employee will wear appropriate fall protection when working off of unguarded surfaces over 6’.

EXHIBIT D
Lump Sum Acknowledgement

Execution of this Purchase Order is evidence that Contractor has read and fully understands the Agreement, all associated Lump Sum risks Contractor assumes hereunder, Specifications, Drawings, and Construction hereto and desires to contract for the work in accordance with the Agreement on their Firm Offer.

Company reserves the right to negotiate a set price for Extra Work directed by Company that is clearly outside the scope of the original Firm Offer and Agreement price, when accepted by both parties, shall become the basis for full compensation for such extra work, defined by the negotiated agreement. Payment for any such Extra Work must be authorized through a change order in accordance with Section 5 of this Agreement.

Contractor Name:
Representative Name:
Signature:
Title:
Address:
Address:
Phone:
Facsimile:
Email Address:

EXHIBIT E
FINAL WAIVER OF LIENS

State of _____ **Subject of Project:** _____
County of _____ **Job No:** _____
Address/Legal Description of Project:

To: (Contractor) _____

_____ _____
_____ **Owner:** _____
Subcontractor: _____
Sub-Subcontractor: _____

IN CONSIDERATION for the final payment of _____ Dollars ($_____**)**, the amount due the undersigned sub-subcontractor for the **final payment** for labor, materials and services furnished by the undersigned for the above-described project, pursuant to subcontract dated with Contractor, the undersigned, being first duly sworn, does hereby represent and certify to Contractor, as an inducement to Contractor to make final payment, and as representations upon which Contractor may rely in making said payment, as follows: there are no additional costs or claims for any extras or additions for labor or material with respect to the above-described subcontract and project; all work performed or materials installed are in accordance with the approved plans and specifications for the above-described project; all bills, charges and expenses for labor, supervision, materials, supplies, equipment, utilities, overhead, rentals and for all other things furnished or caused to be furnished for the above-described project by the undersigned have been paid in full; there are no unpaid claims or demands of subcontractors, sub-subcontractors, material suppliers, equipment suppliers, mechanics, laborers, lessors or others resulting from or arising out of any work done or materials or equipment supplied pursuant to said subcontract by the undersigned or by any other subcontractor, sub-subcontractor, material supplier, equipment supplier, mechanic, laborer, lessor or other person or entity; all federal and state payroll taxes and contributions for unemployment insurance, old age pensions, annuities, retirement benefits and union dues, imposed or assessed under any provision of any law (state or federal) or contract (and measured by wages, salaries or other remunerations paid by the undersigned to its employees or to its subcontractors engaged in said work or in any other operation incidental thereto) have been paid in full; and all payments received by the undersigned for this project will be used exclusively for the benefit of this project.

IN CONSIDERATION of the final payment, the undersigned does hereby release Contractor and the Owner from all claim(s), demand(s), action(s), and suit(s) of any kind arising under or by virtue of said subcontract and work done and/or materials and/or equipment supplied by the undersigned for the above-described project, and does hereby waive and release all present and/or future liens, rights of lien and lien and/or payment or performance bond claims of any kind whatsoever for any work done or labor or materials furnished for the project.
The undersigned sub-subcontractor and the undersigned individual signing on behalf of sub-subcontractor do hereby jointly and severally agree to indemnify, defend and hold harmless Contractor and the Owner of the project, against any loss or damage, including reasonable attorney's fees, which the Contractor and/or the Owner of the project may sustain by reason of the untruth or inaccuracy of any of the foregoing statements and representations, or by reason of the filing of any claim(s), lien(s) demand(s), suit(s), charge(s) or other action(s) by any subcontractors, sub-subcontractors, material suppliers, mechanics, laborers, lessors or others resulting from, or arising out of, any work done or materials or equipment supplied pursuant to, or in connection with, the work required by said subcontract.

The references to Contractor and Owner shall include their respective parents, subsidiaries, affiliates, sureties, officers, directors, employees, agents and assigns.

WITNESS the hand and seal of the undersigned this_____day of_____, 20_____

_____
(Name of Sub-subcontractor)

By: Its: _____
(Signature of Person Signing) (Office of Person Signing)

Witness/Attest: _____

Witness/Attest: _____

STATE OF_____)
COUNTY OF_____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, as_____of _____, whose name is signed to the foregoing instrument and who is known to me, being first duly sworn, acknowledged before me on this day that the statements and representations made therein are true, and being informed of the contents of the foregoing instrument, and being duly authorized to execute same on behalf of said corporation (s)he executed the same voluntarily on the day the same bears date.
Given under my hand and official seal, this_____day of _____, 20___.

My Commission Expires: _____

_____, NOTARY PUBLIC

EXHIBIT F
CONTRACTOR'S COMPLETION
AFFIDAVIT

_____("Contractor") located at_____, having entered into a contract with_____("Sunoco"), dated_____, 20___for the following:

_____

_____

does hereby certify that said contract has been fully and finally completed; that all labor has been fully and entirely paid; that all Federal and State Unemployment Taxes have been paid, or will be paid when due; that all valid State Sales and Use Taxes properly levied on materials, equipment, supplies and services furnished by Contractor have been paid; that all Federal or State Income Taxes required by law to be withheld from employees or others have been withheld and remitted to the proper taxing authority, or will be remitted when due; that all premiums for insurance requirements, all claims for damages of any nature arising from the fulfillment of said contract, all materials, supplies, etc., all labor and bills for materials, supplies, etc., of any and all subcontractors, have all been paid; that payment has been made in full of all claims for damages for which Contractor is required to indemnify Company, its parent and affiliated companies, hereunder, and that any other items payable by the Contractor under said contract have all been paid.

Contractor agrees to indemnify, save and hold harmless Company from any claims, damages, or expenses arising from Contractor's failure to perform or fulfill any of the acts or obligations referred to above.

Contractor: _

_____

Signature:_____

Name: _____

Title: _____

State of _____

County _____

_____, an individual, makes oath and says that he/she is representing_____with headquarters at_, and that he/she examined the foregoing statement and that it is a true and correct statement of facts in respect to each and every matter set forth therein.

Subscribed and sworn to before me this day of_____, 20_ .

_____County_____State.

_____
Notary

Public My commission expires _____

EXHIBIT G

COMPLIANCE WITH DEPARTMENT OF TRANSPORTATION ("DOT") REGULATIONS ON DRUG AND ALCOHOL TESTING (49 CFR PART 199)

Contractor acknowledges that Owner is an operator of a common carrier pipeline subject to DOT regulations, including 49 CFR Part 199 – "Drug and Alcohol Testing." By executing this Contract, Contractor certifies that its employees, who perform operating, maintenance, and emergency response functions on Owner's facilities, are in compliance with the drug and alcohol testing, education and training requirements of the Part 199 regulations. Contractor further agrees to allow Owner, DOT and any authorized state agency access during all normal business hours to its property and records for purposes of monitoring compliance with the Part 199 regulations. These records may include the Contractor's policy on drug and alcohol testing, education and training, as well as, drug and alcohol test results of the Contractor's employees. Contractor's non-compliance with the Part 199 regulations or the provisions herein will constitute grounds for immediate termination. The liability and indemnity provisions of this Contract shall apply to the aforesaid obligation.