AGREEMENT

BETWEEN

MOTIVA ENTERPRISES, LLC, AND SHELL CHEMICAL LP

AND

ST. CHARLES PARISH

This Agreement is made and entered into on this 22 day of Axi 2003, by and between:

Motiva Enterprises, LLC, Post Office Box 10, Norco LA 70079 herein represented by Armand S. Abay its General Manager ("Motiva").

Shell Chemical LP, Post Office Box 10, Norco, LA 70079 herein represented by Wayne Pierce, its Plant Manager ("Shell Chemical").

St. Charles Parish, 15045 River Road, Hahnville, LA 70057, herein represented by Albert D. Laque its Parish President.

(A) St. Charles Parish hereby agrees:

- To provide for the construction of: (i) a drainage pumping station at Bayou Trepagnier drainage structure in Norco, designed of a capacity to provide drainage to the entire community of Norco, including those properties identified as Motiva Enterprises, LLC and Shell Chemical LP, and in accordance with the specifications set forth in Attachment A hereto; and (ii) a temporary levee to be built to seven feet between the Hurricane Protection Levee and the Motiva Flood Levee, at the southeast corner of the North Property plant, near Airline Highway as soon as project timing allows. Such pumping station and temporary levee shall be collectively referred to hereafter as the "Project."
- 2) To complete the construction of the Project by no later than two years from the date of this Agreement.
- 3) To certify to Motiva and Shell Chemical the actual expenses of the Project, upon its completion.
- 4) To allow Motiva and Shell Chemical access to all construction documents, permits, contracts, etc. and construction work-in-progress in order to confirm Project design and construction status.
- (B) Motiva and Shell Chemical hereby agree to contribute \$2,150,000.00 each toward the construction of the Project according and subject to the following schedule and conditions.

- (1) Each of Motiva and Shell Chemical shall pay \$358, 333.00 to St. Charles Parish upon execution of this Agreement by all parties.
- (2) St. Charles Parish shall notify each of Motiva and Shell Chemical when construction of the Project is at least 50% complete, defined as 50% of total installed cost expended. Motiva and Shell Chemical shall have 21 days from the date of such notification to inspect the construction site and take what other reasonable measures they deem appropriate to confirm that the construction of the Project is at least 50% complete. Each of Motiva and Shell Chemical shall pay \$358, 333.00 to St. Charles Parish by the end of such 21-day period unless it notifies St. Charles Parish in writing that it believes the construction of the Project is not at least 50% complete, supported by the reasons for its belief. Such notice shall constitute notice of a Dispute described in paragraph (5) below.
- (3) St. Charles Parish shall notify each of Motiva and Shell Chemical when the Project is 100% complete, including the pumping station being fully operational, defined as operating at or above design specifications included in Schedule A. Motiva and Shell Chemical shall have 21 days from the date of such notification to inspect the construction site and take what other reasonable measures they deem appropriate to confirm that the Project is 100% complete, including the pumping station being fully operational. Each of Motiva and Shell Chemical shall pay \$358, 333.00 to St. Charles Parish by the end of such 21-day period unless it notifies St. Charles Parish in writing that it believes the Project is not 100% complete, including the pumping station not being fully operational, supported by the reasons for its belief. Such notice shall constitute notice of a Dispute described in paragraph (5) below.
- (4) On or near the first, second and third anniversaries of the Project completion date, described in paragraph (3) above, St. Charles Parish shall provide each of Motiva and Shell Chemical with the results of a performance test for the pumping station, performed within 21 days of each such anniversary date, that demonstrates that the pumping station remains fully operational. Motiva and Shell Chemical shall have 21 days from the date of each such notification to inspect the pumping station and take what other reasonable measures they deem appropriate to confirm that the pumping station remains fully operational. Each of Motiva and Shell Chemical shall pay \$358, 333.00 to St. Charles Parish by the end of each such 21-day period unless it notifies St. Charles Parish in writing that it believes the pumping station is not fully operational, supported by the reasons for its belief. Such notice shall constitute notice of a Dispute described in paragraph (5) below.
- (5) Any controversy or claim ("Dispute") arising in connection with the Project completion dates, performance tests or payment due dates described above, or otherwise arising out of or related to this Agreement or the breach thereof, shall be settled by consultation between the parties initiated by written notice of the Dispute to the other parties. In the event that such consultation does not settle the Dispute within 30 days after written notice of such Dispute, then the Dispute shall be settled by binding arbitration in accordance with the then current CPR Institute for Dispute Resolution Rules for Non-Administered Arbitration of Business Disputes and this provision. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. §§ 1-16 to the exclusion of any provision of state law inconsistent therewith or which would produce a different result. Judgment upon the award rendered by the arbitrator may be

entered by any court having jurisdiction. The arbitration shall be held in New Orleans, Louisiana. There shall be one arbitrator. The arbitration shall determine the claim of the parties and render a final award in accordance with the substantive law of the State of Louisiana, excluding the conflicts of such law provisions. The arbitrator shall set forth the reasons for the award in writing.

- (6) Motiva and Shell Chemical shall wire transfer all required payments to account: Hibernia National Bank 06500090812354604. St. Charles Parish may change such account from time to time by providing at least fourteen days prior written notification of the account details to Motiva and Shell Chemical.
- (7) The payments described in this paragraph (B) shall be the total payments required of Motiva and Shell Chemical in connection with the construction or operation of the Project regardless of the total costs incurred regarding the Project, including but not limited to unanticipated costs or cost overruns.
- (8) The parties agree that while St. Charles Parish and any of its employees, agents, or subcontractors are performing services under this Agreement in Louisiana, such work in whole or in part is a part of the trade, business or occupation of Motiva and Shell Chemical and is an integral part of and essential to the ability of Motiva and Shell Chemical to generate its goods, products, and services. Motiva and Shell Chemical, or any of their subsidiaries or affiliates involved in the project performed hereunder in Louisiana shall be considered a Statutory Employer within the meaning set forth in La. Rev. Stat. 23:1061 of those employees, agents, and subcontractors of St. Charles Parish performing services hereunder in Louisiana and such employees, agents, and subcontractors shall be considered Statutory Employees as the meaning is set forth in La. Rev. Stat. 23:1061.
- (C) This Agreement shall begin on the date first written above and terminate on the date Motiva and Shell Chemical make their last scheduled payments or the tenth anniversary of the date first written above, whichever occurs first.

(D) Miscellaneous

- (1) Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument.
- (2) <u>Waiver</u>. The failure of a party to this Agreement at any time or times to require performance of any provision of this Agreement shall in no manner affect its right at a later time to enforce the same, or be deemed a waiver or release of future performance of the same provision.
- (3) Amendments. No amendment of any provision of this Agreement shall be valid unless the same is in writing and signed by all parties to this Agreement.

(4) Entire Agreement. This Agreement (including the Exhibits, Schedules and documents referred to herein) constitute the entire agreement and understanding among the parties and supersede any prior understandings, agreements, arrangements or representations by or among the parties, written or oral, relating to the subject matter of this Agreement.

(5) NOTICES

- 1.1 Any notice given under or in connection with this Agreement shall only be effective if given in writing by one of the methods specified in paragraph 1.2. Service of notice by telex or e-mail shall not be effective.
- 1.2 A notice shall be addressed as provided in paragraph 1.3 and shall be:
 - (A) personally delivered, in which case it shall be deemed to have been given upon delivery at the relevant address; or
 - (B) sent by first class pre-paid mail, in which case it shall be deemed to have been given two business days after the date of posting; or
 - (C) sent by facsimile, in which case it shall be deemed to have been given when despatched, but shall only be effective if its uninterrupted transmission can be confirmed by a transmission report of sender;

Any notice given or deemed to have been given after 17.00 on any business day or at any time on a day which is not a business day shall be deemed to have been given at 09.00 on the next business day.

1.3 The addresses and other details of the parties referred to in paragraph 1.2 are, subject to paragraph 1.4;:

For Shell Chemical:

For the attention of: Plant Manager

Address: Post Office Box 10, Norco, LA 70079.

Facsimile number: 504-465-6310.

For Motiva:

For the attention of: General Manager

Address: Post Office Box 10, Norco, LA 70079.

Facsimile number: 504-465-6310.

For St. Charles Parish:

For the attention of: Parish President

Address: PO Box 302; 15045 River Road, Hahnville, LA 70057

Facsimile number: 985-783-2187

1.4 A party may notify the other parties of a change to the address or any of the other details specified in paragraph 1.3. Such notification shall only be effective on the later of the date specified in such notice or five business days after the notice is given.

Thus done and passed, before me the undersigned Notary Public in and for the State of Louisiana, Parish of St. Charles, on the day, month and year herein first above written, in the presence of the undersigned competent witnesses.

Motiva Enterprises LLC

By:

Apprand S. Abay General Manager

Shell Chemical LP

By:

Wayne Pierce Plant Manager

St. Charles Parish

Albert D. Laque

Parish President

Notary Public

Schedule A