



U.S. Department of Justice

Criminal Division

Fraud Section

February 6, 2009

Robb L. Voyles, Esq.
Baker Botts L.L.P.
2001 Ross Avenue
Dallas, TX 75201-2980

Re: Halliburton Company

Dear Mr. Voyles:

On the understandings specified below, the United States Department of Justice, Criminal Division, Fraud Section ("this Office" or "the Department") will not criminally prosecute Halliburton Company or its subsidiaries or affiliates ("Halliburton") for any crimes (except for criminal tax violations, as to which this Office cannot and does not make any agreement), or bring any civil action, related to (a) the offering, authorizing, making, or agreeing to make corrupt payments by Halliburton or KBR, Inc. or its predecessors, subsidiaries, affiliates, joint venture partners, agents, consultants, or co-conspirators ("KBR") to agents or foreign government officials relating to the various phases of the liquefied natural gas plant on Bonny Island, Nigeria, or relating to any other project, agent, or matter within the scope of or disclosed during the investigation of the conduct before the date of this letter; (b) KBR's alleged coordination of bids on foreign LNG plant engineering and construction projects provided that such conduct was disclosed or otherwise known to the Department before the date of this letter; and (c) Halliburton's or KBR's disclosures, accounting, internal controls, and record-keeping associated with the foregoing.

If Halliburton fully complies with the understandings specified in this agreement (the "Agreement"), no information given by or on behalf of Halliburton at the request of this Office (or any other information directly or indirectly derived therefrom) will be used against Halliburton in any criminal tax prosecution. This Agreement does not provide any protection against prosecution for any crimes except as set forth above, and applies only to Halliburton and not to any other entities or individuals except as set forth in this Agreement. Halliburton expressly understands that the protections provided to Halliburton shall not apply to any acquirer

or successor entities unless and until such acquirer or successor formally adopts and executes this Agreement.

It is understood that, during the two years following the date of execution of this Agreement by all parties, Halliburton shall: (a) commit no criminal violations of the Foreign Corrupt Practices Act, Title 15, United States Code, Sections 78dd-1, *et seq.* ("FCPA"); (b) truthfully and completely disclose non-privileged information with respect to the activities of Halliburton, its officers and employees, and others concerning all FCPA matters about which this Office inquires of it, which information can be used for any purpose, except as set forth in the first paragraph of this Agreement; and (c) bring to this Office's attention all criminal violations of the FCPA by Halliburton that come to the attention of Halliburton's senior management, as well as any administrative proceeding or civil action or investigation brought by any governmental authority that alleges violations of the FCPA by Halliburton.

Until the date upon which all investigations and prosecutions arising out of the matters described in the first paragraph of this Agreement are concluded, whether or not they are concluded within the two years specified in the preceding paragraph, Halliburton shall, in connection with those matters: (a) cooperate fully with this Office, any other component of the Department of Justice, the Federal Bureau of Investigation, and any other domestic or foreign law enforcement agency designated by this Office; (b) at this Office's request, use its best efforts to secure the attendance and truthful statements or testimony of any of its officers, agents or employees at any meeting or interview or before the grand jury or at any trial or other court proceeding; and (c) provide this Office, upon request, all non-privileged information, documents, records, or other tangible evidence about which this Office or any designated law enforcement agency inquires.

It is understood that any assistance Halliburton may provide to federal criminal investigators or any foreign law enforcement authority as required by the preceding paragraph shall be pursuant to the specific instructions and control of this Office and designated investigators.

It is understood that, should this Office determine that Halliburton has committed any criminal violation of the FCPA during the two years following the date of execution of this Agreement by all parties, has given false, incomplete, or misleading testimony or information, or has otherwise violated any provision of this Agreement, Halliburton shall thereafter be subject to prosecution for any federal violation of which this Office has knowledge, including perjury and obstruction of justice. In determining whether to bring any such prosecution due to Halliburton's criminal violation of the FCPA, this Office will take into account whether the FCPA violation was unknown to or brought to the attention of this Office by Halliburton's senior management. Any such prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against Halliburton, notwithstanding the

expiration of the statute of limitations between the signing of this Agreement and the expiration of the two-year term of the Agreement plus one year. Thus, by signing this Agreement, Halliburton agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of this Agreement shall be tolled for the two-year term of the Agreement plus one year. Should the Department bring a prosecution against Halliburton for any crimes described in the first paragraph of this Agreement, the Department agrees to recommend to the Court that the \$382 million that Halliburton contributed to the payment of the criminal fine paid by the defendant in United States v. Kellogg Brown & Root LLC should be credited against any fine that the Court imposes as part of a judgment in such a prosecution of Halliburton. Nothing in this Agreement shall be deemed an agreement by the Department that the \$382 million amount is the maximum criminal fine that may be imposed in any such prosecution, and the Department is not precluded from arguing that the Court should impose a higher fine.

It is understood that, if it is determined that Halliburton has committed any criminal violation of the FCPA during the two years following the date of execution of this Agreement by all parties, has given false, incomplete, or misleading testimony or information, or has otherwise violated any provision of this Agreement: (a) all statements and admissions made by Halliburton to this Office or other designated law enforcement agents, and any testimony given by Halliburton before a grand jury or other tribunal, whether prior or subsequent to the signing of this Agreement, and any leads derived from such statements or testimony shall be admissible in evidence in any criminal proceeding brought against Halliburton; and (b) Halliburton shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, or any other federal rule that such statements or any leads therefrom should be suppressed. By signing this Agreement, Halliburton waives all rights in the foregoing respects. Halliburton reserves all of its other rights and defenses.

It is further understood that this Agreement does not bind any federal, state, local, or foreign prosecuting authority other than this Office, except that the Antitrust Division of the United States Department of Justice also is bound with respect to the investigation covered by subparagraph (b) of the first paragraph of this Agreement. This Office will bring the cooperation of Halliburton to the attention of other prosecuting and investigative authorities or other agencies, if requested by Halliburton.

It is further understood that Halliburton or this Office may disclose this Agreement to the public. With respect to this matter, from the date of this Agreement forward, this Agreement supersedes all prior, if any, understandings, promises and/or conditions on these same subject matters between this Office and Halliburton. No additional promises, agreements, and

conditions have been entered into other than those set forth in this letter and none will be entered into unless in writing and signed by all parties.

Very truly yours,

STEVEN A. TYRRELL
Chief, Fraud Section

By: William J. Stuckwisch
William J. Stuckwisch
Patrick F. Stokes
Senior Trial Attorneys

AGREED AND CONSENTED TO:

Halliburton Company

By: Albert O. Cornelison, Jr. 2/10/09
Albert O. Cornelison, Jr. Date
Executive Vice President and General Counsel

APPROVED:
Robb L. Voyles 2-10-09
Robb L. Voyles Date
Baker Botts L.L.P.
Attorney for Halliburton Company