



**PARTICIPANT'S AGREEMENT**  
**FOR**  
**PARTICIPATING IN CCPS PROCESS**  
**SAFETY INCIDENT DATABASE**

WHEREAS the American Institute of Chemical Engineers (“AIChE”) is a New York not-for-profit corporation located at 3 Park Avenue, New York, New York 10016-5991, organized for scientific and educational purposes including the advancement of chemical science;

WHEREAS the Center For Chemical Process Safety (“CCPS”), a division of AIChE at the same address, is engaged in providing technical information and service in the field of chemical process safety management to advance chemical engineering knowledge and practices, to promote and enhance public safety relative to the application and use of chemical processes, and to enhance the reliability of chemical process equipment for the prevention and mitigation of catastrophic events hazardous to the public;

WHEREAS CCPS has organized a means and plan for compiling and making available a computerized database of information relating to chemical process safety incident experience herein referred to as the Process Safety Incident Database (“PSID”);

WHEREAS third parties who are manufacturing companies may become Participants in the PSID and share information to enhance chemical process safety;

WHEREAS in order to induce Participants to join and participate in the project, it is essential to assure that strict and complete confidentiality of source data that Participants submit to CCPS will be maintained, without which confidentiality the project could not attract Participants and could not exist; and

WHEREAS CCPS and such parties (“Participants”) desire to set forth in this Participation Agreement the terms and conditions under which Participants will participate in PSID;

THEREFORE the agreed terms and conditions of participation by the undersigned Participant in PSID are as follows:

### **The Project Management Committee:**

1. A Project Management Committee, consisting of no more than one representative from each Participant, will govern the overall management of PSID in conjunction with CCPS.
2. The Project Management Committee will:
  - a) Approve any unusual expenditure for system improvements or additions (above \$5,000), with the understanding that costs will be shared among all Participants;
  - b) Deal with any unusual operational or management issues, which may arise, including any requests for waivers of any provisions of the requirements of Participants;
3. Operate on a majority vote basis, where the majority will be majority of all members of the Project Management Committee, including those present and those not present at a meeting; the vote may be administered by personal and/or mail ballot.

### **Participant's rights and obligations:**

1. A Participant is any company engaged in manufacturing
  - Willing to select and provide details on a minimum specified number of such process safety incidents, actual or "near misses," which meet data quality requirements, noting that some data fields are required and others are optional
  - That meets other obligations imposed by the Project Management committee including payment of all applicable fees; and
  - That signs the Participant's agreement.
2. Participants will:
  - Have the right to have one representative serve on the Project Management Committee,
  - Receive, or have made available, periodic output of collected data,
  - Receive, or have made available, any required software and/or instructions necessary to search and analyze the database Incident reports,
  - Maintain confidentiality of aggregated data provided to Participants, for Participant's uses within the Participant's organization and its more than 50% controlled subsidiaries and affiliates. This does not allow disclosure to third parties.

Licensed operators of a Participant's facility may access and use the aggregated data only when in the employ of the Participant and for the benefit of the Participant only.

### **CCPS Obligations:**

1. CCPS will:

- Manage the PSID project and operations by employing appropriate personnel, such as staff, consultants and contractors and by providing professional services, such as accounting and legal, all as necessary to conduct the business of the database project;
- Oversee the operations of the PSID Project Management Committee;
- Establish protocols and procedures to insure anonymity, confidentiality, security, quality and completeness of data submitted;
- Assure compliance with the IRAS License Agreement with ExxonMobil (originally Exxon), operate a secure computer operating with PSID software to collect and aggregate incident data and provide periodic reports of aggregated data to system users.
- Assure that for each meeting of PSID participants, an attendee other than the chairperson and scribe will be appointed by AIChE/CCPS staff to serve as anti-trust monitor to ensure that discussions are limited to the relevant technical topics. If a member of the AIChE/CCPS staff attends the meeting, that person will serve as the anti-trust monitor.

### **Cost Sharing:**

1. The annual fee is to cover all direct and indirect project costs. It will be calculated each year and will be approximately the total projected next year's costs divided equitably among Participants, with consideration given for the Participant's size and potential usage. Consideration for partial year membership will be made.
2. CCPS will maintain cost records and will notify Participants of the annual fees prior to billing. All invoice payments are net 45 days.

### **Liability and Disclaimer:**

1. Neither Participants nor CCPS makes or gives any warranty or assurance, express or implied, with respect to the accuracy, condition, or use of any information submitted to, contained in, or taken from the PSID database. Participants receive data "as is".

2. Each Participant and CCPS will each be responsible for the liability arising out of its own actions and will jointly defend actions brought against both parties.
3. CCPS shall not be liable for Participant's use or misuse of the data provided to them.

**General Conditions:**

1. CCPS shall own the aggregated data contained in the PSID database.
2. CCPS and the Project Management Committee shall have final authority as to the management and operation of PSID including without limitation fees, costs, participation, lapsed participation and reentry conditions.

**Term and Cancellation by Participation by CCPS:**

1. Participants will satisfy any obligations, which have been or will be established by the joint action of CCPS and the Project Management Committee including definitions of type of participation, payment of a late participation fee and payment of any ongoing maintenance fees for type of participation.
2. The Participant's Agreement will remain in force from year to year without further renewal.
3. The Participant's Agreement may be canceled by written notice to CCPS by any such Participant at the end of a project year and after satisfying the Participant's obligations for that year. Also, Participants may withdraw and cancel at any time by written notice to CCPS but shall be responsible for all annual fees until the end of that calendar year.
4. The Agreement with any individual Participant may be canceled by CCPS by written notice to Participant at any time if a Participant fails to meet PSID obligations.
5. The overall PSID and all Participant Agreements may be canceled by CCPS at the end of a project year if total revenues from Participants fall below costs or data submissions fall below those needed for sustaining a viable database. CCPS will give Participants written notice of cancellation as soon as feasible but not later than thirty (30) days after such cancellation.

**Amendments:**

1. This Agreement is effective as of the agreed date below and may be amended only in writing, after notice hereunder to Participants, by mutual agreement of CCPS and the Project Management Committee. CCPS will give prompt written notice of any such amendment to all Participants.

**Notices:**

1. All notices shall be given by confirmed facsimile to the party notified at the fax number of the notified party shown below or by certified or registered mail, return receipt requested, to the party notified at its address shown herein. Notice will be complete and effective either upon sender's receipt of said fax confirmation or five (5) days after such mailing as the case may be. Either party may change its fax number or address by similar notice of such change given to the other party.

Agreed To As of This \_\_\_\_\_ Day of \_\_\_\_\_, 2008

**PARTICIPANT:** \_\_\_\_\_  
Company:

Address: \_\_\_\_\_

By: \_\_\_\_\_  
Name:

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**CENTER FOR CHEMICAL PROCESS SAFETY OF AMERICAN  
INSTITUTE OF CHEMICAL ENGINEERS**

BY: \_\_\_\_\_  
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