THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should consult an independent financial adviser authorized under the Financial Services and Markets Act 2000 who specializes in advising on the acquisition of shares and other securities before you take any action. Your attention is drawn to "Section D – Risks" beginning on page 9 of this document and Risk Factors beginning on page 14 of this document.

This document comprises a combined summary, share registration document and share securities note, including Parts II and III, and comprises a prospectus (the "**Prospectus**") drawn up in accordance with the requirements of the Financial Services and Markets Act 2000 and the Prospectus Rules published by the United Kingdom Financial Conduct Authority ("**FCA**"). References to the Prospectus shall be deemed to include any related supplementary prospectus approved by the United Kingdom Listing Authority.

The Prospectus has been issued by Halliburton solely in relation to the acquisition from time to time of Common Stock by eligible employees of the Group within the United Kingdom (and, pursuant to Article 17 of the Prospectus Directive, within the EEA) pursuant to the relevant Stock Plan and not for any other purpose. Only eligible employees of the Group may acquire Common Stock pursuant to the Prospectus, in accordance with the Plan Documents. The offer(s), the subject of the Prospectus, are not made to the general public or to any person other than an eligible employee of the Group.

No offer has been made and Participants will not be able to take up Common Stock under the Stock Plans until:

- in relation to the UK, the Prospectus has been approved by the FCA in relation to the participation in the relevant Stock Plan by employees of the Group in the UK; and
- in relation to the EEA, the Prospectus has thereafter been 'passported', as requested by Halliburton, pursuant to Article 17 of the Prospectus Directive, into the other relevant jurisdictions within the EEA in relation to the participation in the relevant Stock Plan by employees of Participating Employers within those jurisdictions.

The maximum number of shares of Common Stock available for future issuance under the Stock Plans, as at December 31, 2012, was 42.5 million.

The persons responsible for this document are Halliburton Company and the Directors of Halliburton Company, whose names appear at paragraph 2.1 of Part I of this document. Having taken all reasonable care to ensure that such is the case, the information contained in this document is, to the best of the Directors' and the Company's knowledge, in accordance with the facts and contains no omission likely to affect its import.

No Common Stock or other securities of Halliburton Company are admitted to trading on a regulated market within the EEA, and there is no intention to make application for the Common Stock, the subject of this document, to be admitted to trading on any such regulated market.

Investing in the Common Stock involves risks. See "Section D - Risks" beginning on page 9 and Risk Factors beginning on page 14 of this document.

HALLIBURTON COMPANY

(Incorporated in Delaware, United States of America, whose principal place of business is at 3000 North Sam Houston Parkway East, Houston, Texas 77032, USA)

This document does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for Common Stock in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not for distribution in or into the United States of America, Canada, Australia, South Africa or Japan or in any country, territory or possession where to do so may contravene local securities law or regulations. Accordingly, the Common Stock may not, subject to certain exemptions, be offered or sold directly or indirectly in or into the United States of America, Canada, Australia, South Africa or Japan or to any national, resident or citizen of the United States of America, Canada, Australia, South Africa or Japan. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdiction.

No person has been authorized by Halliburton to give any information or to make any representation not contained in the Prospectus and, if given or made, that information or representation should not be relied upon as having been authorized by Halliburton.

The information contained in the Prospectus is correct only as at the date of this Prospectus (or as the context indicates), subject to the requirements of the Prospectus Rules and any other legal and regulatory requirements. Neither any delivery of the Prospectus nor the offering, sale or delivery of any Common Stock will, in any circumstances, create any implication that the information contained in this Prospectus is true and accurate subsequent to the date hereof or (as the case may be) the date upon which the Prospectus has been most recently supplemented, or that there has been no adverse change in the financial situation of Halliburton since such date. The working capital statement at paragraph 26.1.1 of this document shall, notwithstanding the foregoing, relate to the period of 12 months from the date of this document. The Prospectus shall not incorporate by reference any information other than as expressly stated therein, nor shall it incorporate by reference any information published by Halliburton after its date. The most recent financial statements filed by Halliburton and other SEC filings made by Halliburton are available through www.halliburton.com from time to time, but information available via such website and contained in such financial statements and filings shall not be incorporated by reference in the Prospectus.

The Prospectus should not be considered as a recommendation by Halliburton that any recipient of the Prospectus should subscribe for or purchase any Common Stock. Each recipient of the Prospectus will be taken to have made his own investigation and appraisal of the condition (financial or otherwise) of Halliburton and of the Common Stock. No assurances can be given that a liquid market for the Common Stock will exist.

CONTENTS

PART I

PART II INCLUDES THE FOLLOWING INFORMATION ABOUT STOCK PLANS INCLUDING APPLICATION FORMS AND DIRECTIONS FOR COMPLETION:

Halliburton Company Stock and Incentive Plan

Halliburton Company Non-Qualified Stock Purchase Plan

Halliburton Company Employee Stock Purchase Plan

Halliburton Company UK Employee Share Purchase Plan

PART III INCLUDES THE FOLLOWING HALLIBURTON HISTORICAL FINANCIAL INFORMATION:

Section 1 of Part III contains a reproduction in its entirety of the Annual Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-K for the year ended December 31, 2012. The consolidated financial statements contained in this Annual Report have been audited.

Section 2 of Part III contains a reproduction in its entirety of the Annual Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-K for the year ended December 31, 2011. The consolidated financial statements contained in this Annual Report have been audited.

Section 3 of Part III contains a reproduction in its entirety of the Annual Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-K for the year ended December 31, 2010. The consolidated financial statements contained in this Annual Report have been audited.

Section 4 of Part III contains a reproduction in its entirety of the Halliburton Company Proxy Statement for the 2013 Annual Meeting of Stockholders on May 15, 2013.

Section 5 of Part III contains a reproduction in its entirety of the Quarterly Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-Q for the quarter ended March 31, 2013. The condensed consolidated financial statements contained in this Quarterly Report have not been audited.

SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted into the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'. Words and expressions defined in the remainder of the Prospectus have the same meanings in this summary.

Section A – Introductions and warnings		
A.1	Introductions and warnings	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on the consideration of the Prospectus as a whole. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Resale or final placement of shares by financial intermediaries	Not applicable. The Company is not engaging any financial intermediaries for any resale of securities or final placement of securities requiring a prospectus after publication of this document.

Section B – Issuer		
B.1	Legal and Commercial Name	Halliburton Company
B.2	Domicile and legal form	Halliburton Company's predecessor was incorporated under the laws of the State of Delaware in 1924. Halliburton is a for-profit corporation and is domiciled in the United States of America and operates under the state and federal laws of the State of Delaware and the United States. The address of Halliburton Company's principal executive office is at 3000 North Sam Houston Parkway East, Houston, Texas 77032, USA.

B.3	Current operations and principal activities of the Group and the principal markets in which it operates	Halliburton provides services and products to the energy industry, with operations in approximately 80 countries. Halliburton operates and reports under two divisions: **Completion and Production** delivers cementing, stimulation, intervention, pressure control, specialty chemicals, artificial lift, and completion services; **Drilling and Evaluation** provides field and reservoir modeling, drilling, evaluation, and wellbore placement solutions that enable customers to model, measure and optimize their well construction activities.
B.4	Significant trends affecting the Group and the industries in which it operates	Halliburton's revenue growth and profitability can be impacted by the demand for products and services, changes in world economies, political instability overseas, government regulations, and changes in the prices of oil and natural gas. Additionally, our financial performance is impacted by well count in the North America market as a result of improved drilling and completion efficiencies. The outlook for world petroleum demand for the remainder of 2013 appears mixed, with the International Energy Agency's April 2013 "Oil Market Report" continuing to forecast 2013 demand to increase approximately 0.9% over 2012 levels. We foresee significant natural gas price constraints in the near-term as natural gas competes as a fuel source in the power generation market. In spite of this tempered outlook, we believe that, over the long term, hydrocarbon demand will generally increase. Increased demand, combined with the underlying trends of smaller and more complex reservoirs, high depletion rates, and the need for continual reserve replacement, should drive the long-term need for our services and products.
B.5	Group description	Halliburton Company is the holding company of the Group.
B.6	Major shareholders	Based on SEC filings to date, no shareholder holds over 5% of the issued Common Stock other than BlackRock, Inc. who has reported a holding of 6.94%.

B.7	Key financial information	We had cash and equivalents of $2.0 billion and investments of $418 million in fixed income securities (both short- and long-term) at March 31, 2013. Halliburton's financial position presented below for the years ended December 31, 2012, 2011, and 2010 is extracted from Halliburton's audited consolidated financial statements. The information for the quarterly period ended March 31, 2013, is extracted from Halliburton's unaudited condensed consolidated financial statements.

Millions of dollars	**March 31 (Unaudited)**
Financial position	**2013**
Net working capital [(1)]	$ 8,486
Property, plant, and equipment, net	10,509
Total assets	27,684
Long-term debt, including current maturities	4,820
Shareholders' equity	15,737

Millions of dollars	**December 31 (Audited)**		
Financial position	**2012**	**2011**	**2010**
Net working capital [(1)]	$ 8,334	$ 7,456	$ 6,129
Property, plant, and equipment, net	10,257	8,492	6,842
Total assets	27,410	23,677	18,297
Long-term debt, including current maturities	4,820	4,820	3,824
Shareholders' equity	15,790	13,216	10,387

(1) Calculated as current assets minus current liabilities.

Operations data for the quarter ended March 31, 2013, extracted from Halliburton's condensed consolidated financial statements:

	Three Months Ended March 31	
(Millions of dollars except per share data)	2013	2012
Statements of Operations Data:		
Total revenue	$ 6,974	$ 6,868
Operating income (loss)	(98)	1,023
Income (loss) from continuing operations	(11)	638
Loss from discontinued operations, net	(5)	(8)
Noncontrolling interest in net income of subsidiaries	(2)	(3)
Net income (loss) attributable to company	$ (18)	$ 627

Basic income per share attributable to company shareholders:		
Income (loss) from continuing operations	$ (0.01)	$ 0.69
Loss from discontinued operations, net	(0.01)	(0.01)
Net income (loss) per share	$ (0.02)	$ 0.68

Diluted income per share attributable to company shareholders:		
Income (loss) from continuing operations	$ (0.01)	$ 0.69
Loss from discontinued operations, net	(0.01)	(0.01)
Net income (loss) per share	$ (0.02)	$ 0.68

Halliburton's revenue was $7.0 billion for the quarter ended March 31, 2013. Halliburton had assets of $27.7 billion and market capitalization of approximately $37.6 billion at March 31, 2013.

Operations data extracted from Halliburton's annual audited consolidated financial statements:

	Year Ended December 31		
(Millions of dollars except per share data)	2012	2011	2010
Statements of Operations Data:			
Total revenue	$ 28,503	$ 24,829	$17,973
Operating income	4,159	4,737	3,009
Income from continuing operations	2,587	3,010	1,802
Income (loss) from discontinued operations, net	58	(166)	40
Noncontrolling interest in net income of subsidiaries	(10)	(5)	(7)
Net income attributable to company	$ 2,635	$ 2,839	$ 1,835
Basic income per share attributable to company shareholders:			
Income from continuing operations	$ 2.78	$ 3.27	$ 1.98
Income (loss) from discontinued operations, net	0.07	(0.18)	0.04
Net income per share	$ 2.85	$ 3.09	$ 2.02

		Diluted income per share attributable to company shareholders: Income from continuing operations $ 2.78 $ 3.26 $ 1.97 Income (loss) from discontinued operations, net 0.06 (0.18) 0.04 Net income per share $ 2.84 $ 3.08 $ 2.01 Halliburton's revenue was $28.5 billion for the year ended December 31, 2012. Halliburton had assets of $27.4 billion and market capitalization of approximately $32.2 billion at December 31, 2012. During the first quarter of 2013 we recorded an additional $1.0 billion reserve relating to the Macondo Multi-District Litigation based on recent settlement discussions. As of March 31, 2013, our aggregate reserve was $1.3 billion which consists of a current portion of $278 million included in "Other current liabilities" and a non-current portion of $1.0 billion reflected as "Loss contingency for Macondo well incident" on our condensed consolidated balance sheets. No other significant changes in the financial or trading position or operating results of the Group have occurred during, or since the end of, the financial periods for which financial information has been published and is reported on in this Prospectus, being March 31, 2013.
B.8	Key *pro forma* financial information	Not applicable. There is no pro forma financial information.
B.9	Profit forecast/estimate	Not applicable. There is no profit forecast or estimate.
B.10	Audit report qualifications	Not applicable. There are no qualifications to the accountant's report to the historical financial information in this document.
B.11	Working capital - insufficient	Not applicable. In the opinion of Halliburton, the working capital of the Group is sufficient for the Group's present requirements, and at least for the period of twelve months following the date of this document.

Section C – Securities		
C.1	Type and class of securities	Common stock of Halliburton with a par value of $2.50 per share ("Common Stock"). The ISIN ("International Security Identification Number") of the Common Stock is US4062161017. Only Common Stock will be issued pursuant to the Stock Plans. The Common Stock is listed on the New York Stock Exchange ("NYSE"). All outstanding shares of Common Stock are fully paid. The Common Stock is created and issued pursuant to the laws of the State of Delaware and in compliance with the federal laws of the USA. The Common Stock is issued in registered form and in uncertificated form

		(or, upon request, certificated form). The records of the Company's stockholders are maintained by our registrar, Computershare Shareowner Services LLC, 480 Washington Blvd., Jersey City, New Jersey 07310, USA.
C.2	Currency	The currency of denomination of the issue is U.S. dollars.
C.3	Number of securities issued	Maximum number of securities available under the Stock Plans SIP: Under the SIP, 158,000,000 shares of Common Stock have been reserved through December 31, 2012. Any individual holder may be granted rights under the SIP of up to 1,000,000 shares of Common Stock in any one year, and the cash value of any performance award may not exceed $20,000,000. At December 31, 2012, approximately 28,000,000 shares were available for future grants under the SIP. Other Stock Plans: Under NQESPP, ESPP, and UK-ESPP, 44,000,000 shares of Common Stock have been reserved through December 31, 2012. The maximum number of shares that any individual participant may purchase in a purchase period is 10,000 under the NQESPP and ESPP. Under the ESPP, there is a $25,000 individual limit per calendar year. Under the UK-ESPP, the Company may determine the maximum number of shares that may be awarded as Matching Shares or Free Shares (as such terms are defined in the UK-ESPP). At December 31, 2012, approximately 14,500,000 shares in aggregate were available for issuance under the NQESPP, ESPP, and UK-ESPP.
C.4	Description of the rights attaching to the securities	Dividends: Holders of Common Stock may receive dividends as declared from time to time by the Board of Directors from legally available funds of Halliburton. Distributions: Upon liquidation, after payment of amounts due to holders of Preferred Stock, if any, all remaining assets of Halliburton available for distribution shall be distributed pro rata to the holders of Common Stock. Voting: Except as required by law or provided by the Certificate of Incorporation, each holder of Common Stock has one vote for each share held, on all matters voted upon by stockholders.
C.5	Restrictions on the free transferability of the securities	Subject to applicable laws and NYSE listing compliance, the Common Stock will be freely transferable.
C.6	Admission	The Common Stock is traded on the NYSE. Common Stock issued pursuant to the Stock Plans has been or is expected to be authorized for listing on the NYSE. Common Stock issued pursuant to the Stock Plans will not be subject to application for admission to trading on an EEA regulated market.
C.7	Dividend policy	Cash dividends on our Common Stock in the amount of $0.09 per share were paid in March, June, September, and December of 2012 and 2011. In

		February 2013 our Board of Directors declared a 2013 first quarter dividend of $0.125 per share that was paid in March of 2013. Our Board of Directors intends to consider the payment of quarterly dividends on the outstanding shares of our Common Stock in the future. Subject to Board of Directors approval, we expect to pay dividends representing approximately 15% to 20% of our net income on an annual basis The declaration and payment of future dividends, however, will be at the discretion of the Board of Directors and will depend on, among other things, future earnings, general financial condition and liquidity, success in business activities, capital requirements, and general business conditions.

Section D – Risks		
D.1	Key information on the key risks that are specific to the issuer or its industry	**ANY INVESTMENT IN THE COMMON STOCK OF HALLIBURTON INVOLVES RISKS.** We continue to face risks and uncertainties that could materially and adversely affect our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. Such matters could also have a material adverse effect on our business, consolidated results of operations and consolidated financial condition. • We, among others, have been named as a defendant in numerous lawsuits and there have been numerous investigations relating to the Macondo well incident. Certain matters relating to the Macondo well incident, including lawsuits, investigations, settlements, increased regulation of the United States offshore drilling industry, and similar catastrophic events could have a material adverse effect on our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. Such matters could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. For the avoidance of doubt, the foregoing does not qualify the working capital statement made at paragraph 26.1.1. • Demand for our services and products depends on oil and natural gas industry activity and expenditure levels that are directly affected by trends in oil and natural gas prices. Demand for our services and products is particularly sensitive to the level of exploration, development, and production activity of, and the corresponding capital spending by, oil and natural gas companies, including national oil companies. These matters, as well as constraints in the supply of, prices for, and availability of transportation of raw materials, can have a material adverse effect on our business and consolidated results of operations. • We derive a significant portion of revenue from non-United States operations, exposing us to risks inherent in doing business in the approximately 80 countries where we operate. Accordingly, we are subject to significant risks, including foreign currency exchange risks and limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of operations in other countries. Additional risks in these areas include our potential non-compliance with United States and international regulations, as well as political and economic instability, risk of government actions, and cyber attacks. These matters could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

		• We are subject to the jurisdiction of numerous taxing authorities and income earned in these various jurisdictions is taxed on differing bases. Changes in the operating environment, including changes in or interpretation of tax law or currency/repatriation controls, could impact the determination of our income tax liabilities for a tax year. • We are subject to health, safety and environmental laws, rules and regulations, including regarding the handling of hazardous materials. Existing or future regulations related to greenhouse gases and climate change could have a negative impact on our business if such regulations reduce the worldwide demand for oil and natural gas. Future regulations imposing reporting obligations on, or limiting or banning, hydraulic fracturing processes could make it more difficult to complete natural gas and oil wells and could have a negative impact on our business. Liabilities for cleanup costs, natural resource damages, and other losses arising from regulatory requirements could be substantial and could have a material adverse effect on our liquidity position, such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. Those matters could also have a material adverse effect on our consolidated results of operations and consolidated financial position. • We are subject to our customers delaying or failing to pay invoices. In weak economic environments, we may experience increased delays and failures due to, among other reasons, a reduction in our customer's cash flow from operations and access to the credit markets. If our customers delay or fail in paying a significant amount of outstanding receivables, this could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. • We believe there are risks associated with our operations in Venezuela, including the possibility that the Venezuelan government could assume control over our operations and assets. We continue to see delays in payment of receivables from our primary customer in Venezuela.

D.3	Key information on the key risks that are specific to the securities	<u>Risks relating to Stock Plans</u> • Awards made under the Stock Plans may be subject to vesting conditions or cancellation. Awards may be cancelled upon termination of employment, in which case vesting and the right to exercise stock options will cease. <u>Market price</u> • The value of any award depends on the market price of Halliburton's Common Stock, which may decline before or after an award vests or is exercised, or the shares acquired upon vesting or exercise are sold. <u>Restrictions on transfer</u> • Common Stock subject to restricted or deferred stock awards may not be sold or transferred (including by pledge) until the award vests and the shares are delivered to the participant. During these times, a participant cannot realize any value from the sale of an award but the award's value will fluctuate based on changes in the market value of Common Stock. <u>Currency fluctuations</u> • Where transactions under the Stock Plans are conducted in Dollars, participants may be subject to exchange rate fluctuations between their local currency and the Dollar.

Section E – Offer		
E.1	Net proceeds and costs of the issue	The total net proceeds of any exercise of Purchase Rights during an Offering Period will vary from Offering Period to Offering Period (each such capitalized term as defined in the relevant Stock Plans). Based on the volume of shares purchased by eligible employees in the 2012 financial year, we estimate that offers made under the Stock Plans during such period generated in aggregate proceeds of up to $2.0 million. It is not possible to estimate a reasonable or maximum level of acceptances that will result from eligible employees to the offers made under this Prospectus for the 2013 financial year, however, Halliburton is not aware of any material facts or circumstances to indicate that net proceeds from the offers made under the Stock Plans pursuant to this Prospectus will differ from the 2012 financial year to any material extent. The estimated expenses in relation to the production, approval and passporting of the Prospectus (including estimated professional fees and translation fees) are approximately £150,000. Halliburton has not engaged a sponsor or financial adviser in relation to the preparation and approval of the Prospectus.
E.2	Reason for offer and use of proceeds	Halliburton operates employee stock plans in certain countries within the EEA and periodically communicates information regarding specific offers or grants under the Stock Plans directly to the EEA-based employees concerned. The offers are made under the Stock Plans to encourage employee stock ownership, offering participants Common Stock at

		discounted prices, without brokerage costs. This aims to retain services of employees and incentivize them. Proceeds from the offer received by Halliburton or its Subsidiaries will be used for general corporate purposes. Halliburton is under no obligation to make Stock Plan awards and has complete discretion in their operation, including the termination of any future participation. The tax consequences of participating in the Stock Plans can vary greatly depending on a participant's country of residence and other factors. Prior to participating in such a plan, investors should consult their tax advisers. The four relevant Stock Plans are: 1. The Halliburton Company Stock and Incentive Plan ("SIP"); 2. The Halliburton Company Non-Qualified Stock Purchase Plan ("NQESPP"); 3. The Halliburton Company Employee Stock Purchase Plan ("ESPP"); and 4. The Halliburton Company UK Employee Share Purchase Plan ("UK-ESPP").
E.3	Terms and conditions of the offer	<u>Conditions and eligibility</u> Halliburton's Stock Plans are not offered to everybody; some are discretionary and are not offered to employees generally. Others may be offered to all employees meeting eligibility criteria. <u>Purchase Rights</u> For each Offering Period (as defined in the Stock Plans), Halliburton grants each Participant a purchase right for as many shares of Common Stock as the Participant can purchase via payroll deductions subject to limits defined in the Stock Plans. <u>Pricing</u> Under NQESPP and ESPP, the purchase price per share of Common Stock on the Exercise Date is 85% of the lesser of its Fair Market Value (as defined in the Stock Plans) on either the first or last day of the Offering Period (or preceding trading day) rounded up to the nearest Dollar. The UK-ESPP allows share benefits structured in different ways, including allowing eligible employees to purchase shares of Common Stock from pre-tax salary and receive additional shares at Company cost in proportion to those bought by employees. <u>Costs, expenses and taxes</u> Halliburton (or the employer) will pay the Stock Plan administration costs, including custodian fees, save that brokerage fees for sale of Common Stock acquired under Stock Plans by a Participant will be borne by the Participant. Custodians may also charge reasonable fees for withdrawal of Common Stock in certificated form. Participants are responsible for taxes associated with the purchase, sale and ownership of Common Stock, and each participant authorizes its employer to withhold all applicable taxes for any transaction under the

		Stock Plans or any Common Stock acquired. <u>Termination, amendment and withdrawal</u> The Board may amend or terminate the terms of the Stock Plans, including any Purchase Rights, at any time. If a Participant ceases to be an employee for any reason, his or her rights to participate may immediately terminate. Participants may reduce the amounts of their payroll deductions by providing a new participation form and may withdraw from the Stock Plan by serving required notice. Rights to participate in Stock Plans may not be transferred.
E.4	Material interests	Not applicable.
E.5	Selling shareholders and lock-ups	Not applicable. While the Common Stock issued under the Stock Plan may be reacquired shares bought on the open market or otherwise, no selling shareholders have as at the date of this document been identified.
E.6	Dilution	No material dilution will take place through issues of Common Stock under the Stock Plans.
E.7	Expenses charged to the investor by the Company	Not applicable. There are no commissions, fees or expenses to be charged to Participants by the Company.

[End of summary – Remainder of page intentionally left blank]

1. RISK FACTORS

The risk factors that are material to the Common Stock being offered under the Stock Plans and to Halliburton, its business and the industry in which it operates are set out below. They may directly or indirectly affect the value of the Common Stock from time to time. Where possible below, Halliburton has quantified the amount of potential claims in each risk factor to allow a potential investor to evaluate the magnitude of the risks. Please refer to Section 10 (Capital Resources) for further detail on the Company's sources of funding.

1.1 Legal, regulatory investigation, and arbitration proceedings

The litigation, regulatory investigation, and arbitration proceedings affecting the Group could constitute a material risk to the business of Halliburton. The material legal, regulatory investigation, and arbitration proceedings involving the Group are set out in paragraphs 1.2 and in more detail in paragraph 20.7 of this Prospectus.

1.2 We, among others, have been named as a defendant in numerous lawsuits and there have been numerous investigations relating to the Macondo well incident that could have a material adverse effect on our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. These lawsuits and investigations could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. For the avoidance of doubt, the foregoing does not qualify the working capital statement made at paragraph 26.1.1.

The semisubmersible drilling rig, Deepwater Horizon, sank on April 22, 2010 after an explosion and fire onboard the rig that began on April 20, 2010. The Deepwater Horizon was owned by Transocean Ltd. and had been drilling the Macondo exploration well in Mississippi Canyon Block 252 in the Gulf of Mexico for the lease operator, BP Exploration & Production, Inc. ("BP Exploration"), an indirect wholly owned subsidiary of BP p.l.c. ("BP p.l.c.", "BP Exploration", and their affiliates, collectively, "BP"). There were eleven fatalities and a number of injuries as a result of the Macondo well incident. Crude oil escaping from the Macondo well site spread across thousands of square miles of the Gulf of Mexico and reached the United States Gulf Coast. We performed a variety of services for BP Exploration, including cementing, mud logging, directional drilling, measurement-while-drilling, and rig data acquisition services.

We are named along with other unaffiliated defendants in more than 650 complaints, most of which are alleged class-actions, involving pollution damage claims and at least eight personal injury lawsuits involving four decedents and at least 10 allegedly injured persons who were on the drilling rig at the time of the incident. At least six additional lawsuits naming us and others relate to alleged personal injuries sustained by those responding to the explosion and oil spill. BP Exploration and one of its affiliates have filed claims against us seeking subrogation and contribution, including with respect to liabilities under the Oil Pollution Act of 1990 ("OPA"), and direct damages, and alleging negligence, gross negligence, fraudulent conduct, and fraudulent concealment. Certain other defendants in the lawsuits have filed claims against us seeking, among other things, indemnification and contribution, including with respect to liabilities under the OPA, and alleging, among other things, negligence and gross negligence. Further details regarding these claims and lawsuits can be found in paragraph 20.7.1 of this Prospectus. Additional lawsuits may be filed against us, including criminal and civil charges under federal and state statutes and regulations. Those statutes and regulations could result in criminal penalties, including fines and imprisonment, as well as civil fines, and the degree of the penalties and fines may depend on the type of conduct and level of culpability, including strict liability, negligence, gross negligence, and knowing violations of the statute or regulation.

In addition to the claims and lawsuits described above, numerous industry participants, governmental agencies, and Congressional committees have investigated or are investigating the cause of the explosion, fire, and resulting oil spill. Reports issued as a result of those investigations have been critical of BP, Transocean, and us, among others. For example, one or more of those reports have concluded that primary cement failure was a direct cause of the blowout, cement testing performed by an independent laboratory "strongly suggests" that the foam cement slurry used on the Macondo well was unstable, and that numerous other oversights and factors caused or contributed to the cause of the incident, including BP's failure to run a cement bond log, BP's and Transocean's failure to properly conduct and interpret a negative-pressure test, the failure of the drilling crew and our surface data logging specialist to recognize that an unplanned influx of oil, natural gas, or fluid into the well was occurring, communication failures among BP, Transocean, and us, and flawed decisions relating to the design, construction, and testing of barriers critical to the temporary abandonment of the well.

In October 2011, the Bureau of Safety and Environmental Enforcement (“BSEE”) issued a notification of Incidents of Noncompliance (“INCs”) to us for allegedly violating federal regulations relating to the failure to take measures to prevent the unauthorized release of hydrocarbons, the failure to take precautions to keep the Macondo well under control, the failure to cement the well in a manner that would, among other things, prevent the release of fluids into the Gulf of Mexico, and the failure to protect health, safety, property, and the environment as a result of a failure to perform operations in a safe and workmanlike manner. According to the BSEE's notice, we did not ensure an adequate barrier to hydrocarbon flow after cementing the production casing and did not detect the influx of hydrocarbons until they were above the blowout preventer stack. We understand that the regulations in effect at the time of the alleged violations provide for fines of up to $35,000 per day per violation. We have appealed the INCs to the Interior Board of Land Appeals (“IBLA”). In January 2012, the IBLA, in response to our and the BSEE's joint request, suspended the appeal and ordered us and the BSEE to file notice within 15 days after the conclusion of the multi-district litigation (“MDL”) and, within 60 days after the MDL court issues a final decision, to file a proposal for further action in the appeal. The BSEE has announced that the INCs will be reviewed for possible imposition of civil penalties once the appeal has ended. The BSEE has stated that this is the first time the Department of the Interior has issued INCs directly to a contractor that was not the well's operator.

In addition, as part of its criminal investigation, the Department of Justice (“DOJ”) is examining certain aspects of our conduct after the incident, including with respect to record-keeping, record retention, post-incident testing and modeling and the retention thereof, securities filings, and public statements by us or our employees, to evaluate whether there has been any violation of federal law.

Our contract with BP Exploration relating to the Macondo well generally provides for our indemnification by BP Exploration for certain potential claims and expenses relating to the Macondo well incident. BP Exploration, in connection with filing its claims with respect to the MDL proceeding, asked that court to declare that it is not liable to us in contribution, indemnification, or otherwise with respect to liabilities arising from the Macondo well incident. Other defendants in the litigation have generally denied any obligation to contribute to any liabilities arising from the Macondo well incident. In January 2012, the court in the MDL proceeding entered an order in response to our and BP's motions for summary judgment regarding certain indemnification matters. The court held that BP is required to indemnify us for third-party compensatory claims, or actual damages, that arise from pollution or contamination that did not originate from our property or equipment located above the surface of the land or water, even if we are found to be grossly negligent. The court also held that BP does not owe us indemnity for punitive damages or for civil penalties under the Clean Water Act (“CWA”), if any, and that fraud could void the indemnity on public policy grounds. The court in the MDL proceeding deferred ruling on whether our indemnification from BP covers penalties or fines under the Outer Continental Shelf Lands Act, whether our alleged breach of our contract with BP Exploration would invalidate the indemnity, and whether we committed an act that materially increased the risk to or prejudiced the rights of BP so as to invalidate the indemnity.

The rulings in the MDL proceeding regarding the indemnities are based on maritime law and may not bind the determination of similar issues in lawsuits not comprising a part of the MDL proceeding. Accordingly, it is possible that different conclusions with respect to indemnities will be reached by other courts.

Indemnification for criminal fines or penalties, if any, may not be available if a court were to find such indemnification unenforceable as against public policy. In addition, certain state laws, if deemed to apply, would not allow for enforcement of indemnification for gross negligence, and may not allow for enforcement of indemnification of persons who are found to be negligent with respect to personal injury claims. We may not be insured with respect to civil or criminal fines or penalties, if any, pursuant to the terms of our insurance policies.

BP's public filings indicate that BP has recognized in excess of $40 billion in pre-tax charges, excluding offsets for settlement payments received from certain defendants in the MDL, as a result of the Macondo well incident. BP's public filings also indicate that the amount of, among other things, certain natural resource damages with respect to certain OPA claims, some of which may be included in such charges, cannot be reliably estimated as of the dates of those filings.

We are currently unable to fully estimate the impact the Macondo well incident will have on us. We cannot predict the outcome of the many lawsuits and investigations relating to the Macondo well incident, including orders and rulings of the court that impact the MDL, the results of the MDL trial, the effect that the settlements between BP and the Plaintiffs' Steering Committee (“PSC”) in the MDL and other settlements may have on claims against us, or whether we might settle with one or more of the parties to any lawsuit or investigation. We have recently participated, and expect to continue to participate, in court-facilitated settlement discussions to resolve a substantial portion of the private claims that are pending in the MDL trial. Our most recent settlement offer includes both Halliburton Common Stock and cash payments, with

the cash components payable over an extended period of time. These discussions are at an advanced stage and, although the discussions have not resulted in a settlement, during the first quarter of 2013 we recorded an additional $1.0 billion reserve relating to the MDL based on recent settlement discussions. As of March 31, 2013, our aggregate reserve was $1.3 billion, which represents a loss contingency that is probable and for which a reasonable estimate of loss can be made. There can be no assurance that the current settlement discussions relating to the MDL will result in a settlement at the amount contemplated by our loss contingency or at all. The settlement discussions do not cover all possible parties and claims relating to the Macondo well incident. Accordingly, there are additional loss contingencies relating to the Macondo well incident that are reasonably possible but for which we cannot make a reasonable estimate. Given the numerous potential developments relating to the MDL and other lawsuits and investigations, which could occur at any time, we may adjust our estimated loss contingency in the future. Liabilities arising out of the Macondo well incident could have a material adverse effect on our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. These liabilities could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. Any such liability assessment shall be updated as required by and in accordance with the Prospectus Rules.

1.3 Certain matters relating to the Macondo well incident, including increased regulation of the United States offshore drilling industry, and similar catastrophic events could have a material adverse effect on our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. These matters could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. For the avoidance of doubt, the foregoing does not qualify the working capital statement made at paragraph 26.1.1.

The Macondo well incident and the subsequent oil spill resulted in offshore drilling delays, temporary drilling bans, and increased federal regulation of our and our customers' operations, and more regulations and delays are possible. For example, the BSEE has issued regulations that provide revised casing and cementing requirements, including integrity testing standards, that mandate independent third-party verifications, that impose blowout preventer capability, testing, and documentation obligations, and that outline standards for specific well control training for deepwater operations, among other requirements. In addition, the BSEE has noted that it may propose regulations to require, among other things, increased employee involvement in certain safety measures and third-party audits of operators' safety and environmental management systems. The BSEE has also stated that it has the legal authority to extend its regulatory reach to include contractors, like us, in addition to operators, as evidenced by the INCs.

The increased regulation of the exploration and production industry as a whole that arises out of the Macondo well incident has and could continue to result in higher operating costs for us and our customers, extended permitting and drilling delays, and reduced demand for our services. We cannot predict to what extent increased regulation may be adopted in international or other jurisdictions or whether we and our customers will be required or may elect to implement responsive policies and procedures in jurisdictions where they may not be required.

In addition, the Macondo well incident has negatively impacted and could continue to negatively impact the availability and cost of insurance coverage for us, our customers, and our and their service providers. Also, our relationships with BP and others involved in the Macondo well incident could be negatively affected. Our business may be adversely impacted by any negative publicity relating to the incident, any negative perceptions about us by our customers, any increases in insurance premiums or difficulty in obtaining coverage, and the diversion of management's attention from our operations to focus on matters relating to the incident.

As illustrated by the Macondo well incident, the services we provide for our customers are performed in challenging environments that can be dangerous. Catastrophic events such as a well blowout, fire, or explosion can occur, resulting in property damage, personal injury, death, pollution, and environmental damage. While we are typically indemnified by our customers for these types of events and the resulting damages and injuries (except in some cases, claims by our employees, loss or damage to our property, and any pollution emanating directly from our equipment), we will be exposed to significant potential losses should such catastrophic events occur if adequate indemnification provisions or insurance arrangements are not in place, if existing indemnity or related release from liability provisions are determined by a court to be unenforceable or otherwise invalid, in whole or in part, or if our customers are unable or unwilling to satisfy their indemnity obligations.

The matters discussed above relating to the Macondo well incident and similar catastrophic events could have a material adverse effect on our liquidity position such that they may, among other things, reduce

available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. These matters could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. Any such liability assessment shall be updated as required by and in accordance with the Prospectus Rules.

1.4 Our operations are subject to political and economic instability, risk of government actions, and cyber attacks that could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

We are exposed to risks inherent in doing business in each of the countries in which we operate. Our operations are subject to various risks unique to each country that could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. With respect to any particular country, these risks may include:

- political and economic instability, including:
  - civil unrest, acts of terrorism, force majeure, war, or other armed conflict;
  - inflation; and
  - currency fluctuations, devaluations, and conversion restrictions; and

- governmental actions that may:
  - result in expropriation and nationalization of our assets in that country;
  - result in confiscatory taxation or other adverse tax policies;
  - limit or disrupt markets, restrict payments, or limit the movement of funds;
  - result in the deprivation of contract rights; and
  - result in the inability to obtain or retain licenses required for operation.

For example, due to the unsettled political conditions in many oil-producing countries, our operations, revenue, and profits are subject to the adverse consequences of war, the effects of terrorism, civil unrest, strikes, currency controls, and governmental actions. These and other risks described above could result in the loss of our personnel or assets, cause us to evacuate our personnel from certain countries, cause us to increase spending on security worldwide, disrupt financial and commercial markets, including the supply of and pricing for oil and natural gas, and generate greater political and economic instability in some of the geographic areas in which we operate. Areas where we operate that have significant risk include, but are not limited to: the Middle East, North Africa, Azerbaijan, Colombia, Indonesia, Kazakhstan, Mexico, Nigeria, Russia, and Venezuela. In addition, any possible reprisals as a consequence of military or other action, such as acts of terrorism in the United States or elsewhere, could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

Our operations are also subject to the risk of cyber attacks. If our systems for protecting against cybersecurity risks prove not to be sufficient, we could be adversely affected by, among other things, loss or damage of intellectual property, proprietary information, or customer data, having our business operations interrupted, and increased costs to prevent, respond to, or mitigate cybersecurity attacks. These risks could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

1.5 Our operations outside the United States require us to comply with a number of United States and international regulations, violations of which could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

Our operations outside the United States require us to comply with a number of United States and international regulations. For example, our operations in countries outside the United States are subject to the United States Foreign Corrupt Practices Act ("FCPA"), which prohibits United States companies and their agents and employees from providing anything of value to a foreign official for the purposes of influencing any act or decision of these individuals in their official capacity to help obtain or retain business, direct business to any person or corporate entity, or obtain any unfair advantage. Our activities create the risk of unauthorized payments or offers of payments by our employees, agents, or joint venture partners that could be in violation of the FCPA, even though these parties are not subject to our control. We have internal control policies and procedures and have implemented training and compliance programs for our employees and agents with respect to the FCPA. However, we cannot assure that our policies, procedures, and programs always will protect us from reckless or criminal acts committed by our employees or agents. Allegations of violations of applicable anti-corruption laws, including the FCPA, may result in internal, independent, or government investigations. Violations of the FCPA may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could have a material adverse

effect on our business, consolidated results of operations, and consolidated financial condition. In addition, investigations by governmental authorities as well as legal, social, economic, and political issues in these countries could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. We are also subject to the risks that our employees, joint venture partners, and agents outside of the United States may fail to comply with other applicable laws.

1.6 Changes in or interpretation of tax law and currency/repatriation control could impact the determination of our income tax liabilities for a tax year.

We have operations in approximately 80 countries. Consequently, we are subject to the jurisdiction of a significant number of taxing authorities. The income earned in these various jurisdictions is taxed on differing bases, including net income actually earned, net income deemed earned, and revenue-based tax withholding. The final determination of our income tax liabilities involves the interpretation of local tax laws, tax treaties, and related authorities in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in or interpretation of tax law and currency/repatriation controls, could impact the determination of our income tax liabilities for a tax year.

1.7 We are subject to foreign exchange risks and limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries or to repatriate assets from some countries.

A sizable portion of our consolidated revenue and consolidated operating expenses is in foreign currencies. As a result, we are subject to significant risks, including:

- foreign currency exchange risks resulting from changes in foreign currency exchange rates and the implementation of exchange controls; and
- limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries.

As an example, we conduct business in countries, such as Venezuela, that have nontraded or “soft” currencies that, because of their restricted or limited trading markets, may be more difficult to exchange for “hard” currency. We may accumulate cash in soft currencies, and we may be limited in our ability to convert our profits into United States dollars or to repatriate the profits from those countries. In addition, we may accumulate cash in foreign jurisdictions that may be subject to taxation if repatriated to the United States. For further information, see "Business Environment" in paragraph 12 of this Prospectus and Note 9 to the Consolidated Financial Statements, "Income Taxes" in Halliburton’s 2012 Annual Report on Form 10-K set out in Section 1 of Part III of this Prospectus.

1.8 Trends in oil and natural gas prices affect the level of exploration, development, and production activity of our customers and the demand for our services and products which could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

Demand for our services and products is particularly sensitive to the level of exploration, development, and production activity of, and the corresponding capital spending by, oil and natural gas companies, including national oil companies. The level of exploration, development, and production activity is directly affected by trends in oil and natural gas prices, which historically have been volatile and are likely to continue to be volatile.

Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and natural gas, market uncertainty, and a variety of other economic factors that are beyond our control. Any prolonged reduction in oil and natural gas prices will depress the immediate levels of exploration, development, and production activity which could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. Even the perception of longer-term lower oil and natural gas prices by oil and natural gas companies can similarly reduce or defer major expenditures given the long-term nature of many large-scale development projects. Factors affecting the prices of oil and natural gas include:

- the level of supply and demand for oil and natural gas, especially demand for natural gas in the United States;
- governmental regulations, including the policies of governments regarding the exploration for and production and development of their oil and natural gas reserves;

- weather conditions and natural disasters;
- worldwide political, military, and economic conditions;
- the level of oil production by non-OPEC countries and the available excess production capacity within OPEC;
- oil refining capacity and shifts in end-customer preferences toward fuel efficiency and the use of natural gas;
- the cost of producing and delivering oil and natural gas; and
- potential acceleration of development of alternative fuels.

1.9 Our business is dependent on capital spending by our customers, and reductions in capital spending could have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition.

Our business is directly affected by changes in capital expenditures by our customers, and reductions in their capital spending could reduce demand for our services and products and have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. Some of the changes that may materially and adversely affect us include:

- oil and natural gas prices, including volatility of oil and natural gas prices and expectations regarding future prices;
- the inability of our customers to access capital on economically advantageous terms;
- the consolidation of our customers;
- customer personnel changes; and
- adverse developments in the business or operations of our customers, including write-downs of reserves and borrowing base reductions under customer credit facilities.

1.10 If our customers delay paying or fail to pay a significant amount of our outstanding receivables, it could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

We depend on a limited number of significant customers. While none of these customers represented more than 10% of consolidated revenue in any period presented, the loss of one or more significant customers could have a material adverse effect on our business and our consolidated results of operations.

In most cases, we bill our customers for our services in arrears and are, therefore, subject to our customers delaying or failing to pay our invoices. In weak economic environments, we may experience increased delays and failures due to, among other reasons, a reduction in our customers' cash flow from operations and their access to the credit markets. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

1.11 Our business in Venezuela subjects us to actions by the Venezuelan government and delays in receiving payments, which could have a material adverse effect on our liquidity position such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. These actions and delays could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

We believe there are risks associated with our operations in Venezuela, including the possibility that the Venezuelan government could assume control over our operations and assets. As of March 31, 2013, our total net investment in Venezuela was approximately $333 million, including net monetary assets of $100 million denominated in Bolívar Fuerte. We also continue to see a delay in receiving payment on our receivables from our primary customer in Venezuela. If our customer further delays paying or fails to pay us a significant amount of our outstanding receivables, it could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and required us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

The future results of our Venezuelan operations will be affected by many factors, including our ability to take actions to mitigate the effect of a devaluation of the Bolívar Fuerte, the foreign currency exchange rate, actions of the Venezuelan government, and general economic conditions such as continued inflation

and future customer payments and spending. For further information, see "Business Environment - International operations - Venezuela" in paragraph 12 of this Prospectus.

1.12 The adoption of any future federal or state laws or implementing regulations imposing reporting obligations on, or limiting or banning, the hydraulic fracturing process could make it more difficult to complete natural gas and oil wells and could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

We are a leading provider of hydraulic fracturing services. Various federal legislative and regulatory initiatives have been undertaken which could result in additional requirements or restrictions being imposed on hydraulic fracturing operations. For example, the Department of Interior has issued proposed regulations that would apply to hydraulic fracturing operations on wells that are subject to federal oil and gas leases and that would impose requirements regarding the disclosure of chemicals used in the hydraulic fracturing process as well as requirements to obtain certain federal approvals before proceeding with hydraulic fracturing at a well site. These regulations, if adopted, would establish additional levels of regulation at the federal level that could lead to operational delays and increased operating costs. At the same time, legislation and/or regulations have been adopted in several states that require additional disclosure regarding chemicals used in the hydraulic fracturing process but that include protections for proprietary information. Legislation and/or regulations are being considered at the state and local level that could impose further chemical disclosure or other regulatory requirements (such as restrictions on the use of certain types of chemicals or prohibitions on hydraulic fracturing operations in certain areas) that could affect our operations. In addition, governmental authorities in various foreign countries where we have provided or may provide hydraulic fracturing services have imposed or are considering imposing various restrictions or conditions that may affect hydraulic fracturing operations.

We are one of several unrelated companies who received a subpoena from the Office of the New York Attorney General, dated June 17, 2011. The subpoena sought information and documents relating to, among other things, natural gas development and hydraulic fracturing. We have provided information in response to the Attorney General's requests.

The adoption of any future federal, state, local, or foreign laws or implementing regulations imposing reporting obligations on, or limiting or banning, the hydraulic fracturing process could make it more difficult to complete natural gas and oil wells and could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. Further information on hydraulic fracturing can be found in paragraph 8.3 of this Prospectus.

1.13 Liability for cleanup costs, natural resource damages, and other damages arising as a result of environmental laws could be substantial and could have a material adverse effect on our liquidity position such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. These liabilities could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

We are exposed to claims under environmental requirements and, from time to time, such claims have been made against us. In the United States, environmental requirements and regulations typically impose strict liability. Strict liability means that in some situations we could be exposed to liability for cleanup costs, natural resource damages, and other damages as a result of our conduct that was lawful at the time it occurred or the conduct of prior operators or other third parties. Liability for damages arising as a result of environmental laws could be substantial and could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

We are periodically notified of potential liabilities at United States federal and state superfund sites. These potential liabilities may arise from both historical Halliburton operations and the historical operations of companies that we have acquired. Our exposure at these sites may be materially impacted by unforeseen adverse developments both in the final remediation costs and with respect to the final allocation among the various parties involved at the sites. For any particular federal or state superfund site, because our estimated liability is typically within a range and our accrued liability may be the amount on the low end of that range, our actual liability could eventually be well in excess of the amount accrued. The relevant

regulatory agency may bring suit against us for amounts in excess of what we have accrued and what we believe is our proportionate share of remediation costs at any superfund site. We also could be subject to third-party claims, including punitive damages, with respect to environmental matters for which we have been named as a potentially responsible party.

1.14 Constraints in the supply of, prices for, and availability of transportation of raw materials can have a material adverse effect on our business and consolidated results of operations.

Raw materials essential to our business are normally readily available. High levels of demand for, or shortage of, raw materials, such as proppants, hydrochloric acid, and gels, including guar gum, can trigger constraints in the supply chain of those raw materials, particularly where we have a relationship with a single supplier for a particular resource. Many of the raw materials essential to our business require the use of rail, storage, and trucking services to transport the materials to our jobsites. These services, particularly during times of high demand, may cause delays in the arrival of or otherwise constrain our supply of raw materials. These constraints could have a material adverse effect on our business and consolidated results of operations. In addition, price increases imposed by our vendors for raw materials used in our business and the inability to pass these increases through to our customers could have a material adverse effect on our business and consolidated results of operations.

1.15 Doing business with national oil companies exposes us to greater risks of cost overruns, delays, and project losses, as well as unsettled political conditions that can heighten these risks.

Much of the world's oil and natural gas reserves are controlled by national or state-owned oil companies ("NOCs"). Several NOCs are among our top 20 customers. Increasingly, NOCs are turning to oilfield services companies like us to provide the services, technologies, and expertise needed to develop their reserves. Reserve estimation is a subjective process that involves estimating location and volumes based on a variety of assumptions and variables that cannot be directly measured. As such, the NOCs may provide us with inaccurate information in relation to their reserves that may result in cost overruns, delays, and project losses. In addition, NOCs often operate in countries with unsettled political conditions, war, civil unrest, or other types of community issues. These types of issues may also result in similar cost overruns, delays, and project losses.

1.16 A downward trend in estimates of production volumes or commodity prices, or an upward trend in production costs, could have a material adverse effect on our consolidated results of operations and result in impairment of or a change in the depletion rate on our oil and natural gas properties.

We have interests in oil and natural gas properties primarily in North America totaling approximately $78 million, net of accumulated depletion, which we account for under the successful efforts method. These oil and natural gas properties are assessed for impairment whenever changes in facts and circumstances indicate that the properties' carrying amounts may not be recoverable. The expected future cash flows used for impairment reviews and related fair-value calculations are based on judgmental assessments of future production volumes, prices, and costs, considering all available information at the date of review.

A downward trend in estimates of production volumes or prices, or an upward trend in production costs, could have a material adverse effect on our consolidated results of operations and result in impairment charges or a change in the depletion rate on our oil and natural gas properties.

1.17 Some of our customers require us to enter into long-term, fixed-price contracts that may require us to assume additional risks associated with cost over-runs, operating cost inflation, labor availability and productivity, supplier and contractor pricing and performance, and potential claims for liquidated damages.

Our customers, primarily NOCs, may require integrated, long-term, fixed-price contracts that could require us to provide integrated project management services outside our normal discrete business to act as project managers as well as service providers. Providing services on an integrated basis may require us to assume additional risks associated with cost over-runs, operating cost inflation, labor availability and productivity, supplier and contractor pricing and performance, and potential claims for liquidated damages. For example, we generally rely on third-party subcontractors and equipment providers to assist us with the completion of our contracts. To the extent that we cannot engage subcontractors or acquire equipment or materials, our ability to complete a project in a timely fashion or at a profit may be impaired. If the amount we are required to pay for these goods and services exceeds the amount we have estimated in bidding for fixed-price work, we could experience losses in the performance of these contracts. These delays and

additional costs may be substantial, and we may be required to compensate our customers for these delays. This may reduce the profit to be realized or result in a loss on a project.

1.18 Our acquisitions, dispositions, and investments may not result in anticipated benefits and may present risks not originally contemplated, which may have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. These matters could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

We continually seek opportunities to maximize efficiency and value through various transactions, including purchases or sales of assets, businesses, investments, or joint ventures. These transactions are intended to (but may not) result in the realization of savings, the creation of efficiencies, the offering of new products or services, the generation of cash or income, or the reduction of risk. Acquisition transactions may be financed by additional borrowings or by the issuance of our Common Stock. These transactions may also affect our liquidity position such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. These transactions could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

These transactions also involve risks, and we cannot ensure that:

- any acquisitions would result in an increase in income or provide an adequate return of capital or other anticipated benefits;
- any acquisitions would be successfully integrated into our operations and internal controls;
- the due diligence conducted prior to an acquisition would uncover situations that could result in financial or legal exposure, including under the FCPA, or that we will appropriately quantify the exposure from known risks;
- any disposition would not result in decreased earnings, revenue, or cash flow;
- use of cash for acquisitions would not adversely affect our cash available for capital expenditures and other uses;
- any dispositions, investments, acquisitions, or integrations would not divert management resources; or
- any dispositions, investments, acquisitions, or integrations would not have a material adverse effect on our liquidity position, consolidated results of operations, or consolidated financial condition.

1.19 Actions of and disputes with our joint venture partners could have a material adverse effect on the business and results of operations of our joint ventures and, in turn, our business and consolidated results of operations.

We conduct some operations through joint ventures, where control may be shared with unaffiliated third parties. As with any joint venture arrangement, differences in views among the joint venture participants may result in delayed decisions or in failures to agree on major issues. We also cannot control the actions of our joint venture partners, including any nonperformance, default, or bankruptcy of our joint venture partners. These factors could have a material adverse effect on the business and results of operations of our joint ventures and, in turn, our business and consolidated results of operations.

1.20 Failure on our part to comply with applicable health, safety, and environmental requirements could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

Our business is subject to a variety of health, safety, and environmental laws, rules, and regulations in the United States and other countries, including those covering hazardous materials and requiring emission performance standards for facilities. For example, our well service operations routinely involve the handling of significant amounts of waste materials, some of which are classified as hazardous substances. We also store, transport, and use radioactive and explosive materials in certain of our operations. Applicable regulatory requirements include, for example, those concerning:

- the containment and disposal of hazardous substances, oilfield waste, and other waste materials;
- the importation and use of radioactive materials;
- the use of underground storage tanks; and
- the use of underground injection wells.

These and other requirements generally are becoming increasingly strict. Sanctions for failure to comply with the requirements, many of which may be applied retroactively, may include:

- administrative, civil, and criminal penalties;
- revocation of permits to conduct business; and
- corrective action orders, including orders to investigate and/or clean up contamination.

Failure on our part to comply with applicable environmental requirements could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. We are also exposed to costs arising from regulatory compliance, including compliance with changes in or expansion of applicable regulatory requirements, which could have a material adverse effect on our liquidity position such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. These costs could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

1.21 Existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change could have a negative impact on our business and may result in additional compliance obligations with respect to the release, capture, and use of carbon dioxide that could have a material adverse effect on our liquidity position such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. These matters could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

Changes in environmental requirements related to greenhouse gases and climate change may negatively impact demand for our services. For example, oil and natural gas exploration and production may decline as a result of environmental requirements (including land use policies responsive to environmental concerns). State, national, and international governments and agencies have been evaluating climate-related legislation and other regulatory initiatives that would restrict emissions of greenhouse gases in areas in which we conduct business. Because our business depends on the level of activity in the oil and natural gas industry, existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, could have a negative impact on our business if such laws, regulations, treaties, or international agreements reduce the worldwide demand for oil and natural gas. Likewise, such restrictions may result in additional compliance obligations with respect to the release, capture, sequestration, and use of carbon dioxide that could have a material adverse effect on our liquidity position such that they may reduce available cash and equivalents and require us to draw on our revolving credit facility. These matters could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

1.22 Changes in, compliance with, or our failure to comply with laws in the countries in which we conduct business may negatively impact our ability to provide services in, make sales of equipment to, and transfer personnel or equipment among some of those countries and could have a material adverse effect on our business and consolidated results of operations.

In the countries in which we conduct business, we are subject to multiple and, at times, inconsistent regulatory regimes, including those that govern our use of radioactive materials, explosives, and chemicals in the course of our operations. Various national and international regulatory regimes govern the shipment of these items. Many countries, but not all, impose special controls upon the export and import of radioactive materials, explosives, and chemicals. Our ability to do business is subject to maintaining required licenses and complying with these multiple regulatory requirements applicable to these special products. In addition, the various laws governing import and export of both products and technology apply to a wide range of services and products we offer. In turn, this can affect our employment practices of hiring people of different nationalities because these laws may prohibit or limit access to some products or technology by employees of various nationalities. Changes in, compliance with, or our failure to comply with these laws may negatively impact our ability to provide services in, make sales of equipment to, and transfer personnel or equipment among some of the countries in which we operate and could have a material adverse effect on our business and consolidated results of operations.

1.23 Our failure to protect our proprietary information and any successful intellectual property challenges or infringement proceedings against us could materially and adversely affect our competitive position.

We rely on a variety of intellectual property rights that we use in our services and products. We may not be able to successfully preserve these intellectual property rights in the future, and these rights could be

invalidated, circumvented, or challenged. In addition, the laws of some foreign countries in which our services and products may be sold do not protect intellectual property rights to the same extent as the laws of the United States. Our failure to protect our proprietary information and any successful intellectual property challenges or infringement proceedings against us could materially and adversely affect our competitive position.

1.24 If we are not able to design, develop, and produce commercially competitive products and to implement commercially competitive services in a timely manner in response to changes in technology, our business and consolidated results of operations could be materially and adversely affected, and the value of our intellectual property may be reduced.

The market for our services and products is characterized by continual technological developments to provide better and more reliable performance and services. If we are not able to design, develop, and produce commercially competitive products and to implement commercially competitive services in a timely manner in response to changes in technology, our business and consolidated results of operations could be materially and adversely affected, and the value of our intellectual property may be reduced. Likewise, if our proprietary technologies, equipment and facilities, or work processes become obsolete, we may no longer be competitive, and our business and consolidated results of operations could be materially and adversely affected.

1.25 The loss or unavailability of any of our executive officers or other key employees could have a material adverse effect on our business.

We depend greatly on the efforts of our executive officers and other key employees to manage our operations. The loss or unavailability of any of our executive officers or other key employees could have a material adverse effect on our business.

1.26 Our ability to operate and our growth potential could be materially and adversely affected if we cannot employ and retain technical personnel at a competitive cost.

Many of the services that we provide and the products that we sell are complex and highly engineered and often must perform or be performed in harsh conditions. We believe that our success depends upon our ability to employ and retain technical personnel with the ability to design, utilize, and enhance these services and products. In addition, our ability to expand our operations depends in part on our ability to increase our skilled labor force. A significant increase in the wages paid by competing employers could result in a reduction of our skilled labor force, increases in the wage rates that we must pay, or both. If either of these events were to occur, our cost structure could increase, our margins could decrease, and any growth potential could be impaired.

1.27 Our business could be materially and adversely affected by severe or unseasonable weather where we have operations.

Our business could be materially and adversely affected by severe weather, particularly in the Gulf of Mexico, Russia, and the North Sea. Some experts believe global climate change could increase the frequency and severity of these extreme weather conditions. Repercussions of severe or unseasonable weather conditions may include:

- evacuation of personnel and curtailment of services;
- weather-related damage to offshore drilling rigs resulting in suspension of operations;
- weather-related damage to our facilities and project work sites;
- inability to deliver materials to jobsites in accordance with contract schedules;
- decreases in demand for natural gas during unseasonably warm winters; and
- loss of productivity.

1.28 Relating to Stock

Stock Plan conditions

Awards made under the Stock Plans may be subject to vesting conditions and may be cancelled. Except in very limited circumstances detailed in the applicable Stock Plan, Participants must remain continuously employed by Halliburton in order to vest in a restricted or deferred stock award or a stock option. Awards may be cancelled upon a termination of employment, in which case vesting and the right to exercise stock options will cease.

Market price

The value that may be realized from any award depends on the market price of Halliburton's Common Stock, which may decline before or after an award vests or is exercised, or the shares acquired from the vesting or exercise of an award are sold. When a restricted or deferred stock award vests or when shares acquired upon the vesting of a stock award or exercise of a stock option are sold, the market value of the shares delivered to a participant may be less than when the award was granted.

Restrictions on transfer

Common Stock subject to restricted or deferred stock awards may not be sold or transferred in any way (including by a pledge) until the award vests and the shares are delivered to the participant (the award is also subject to cancellation until it vests). Generally, the incremental shares acquired in a stock option exercise may not be sold or transferred in any way (including by a pledge) for two years following the date of exercise. During these times, a participant may not realize any value from the sale of an award, and the value of the shares subject to the award will increase and decrease based on changes in the market value of Common Stock.

Currency fluctuations

Where transactions under the Stock Plans are conducted in Dollars, participants may be subject to fluctuations in the exchange rate between their local currency and the Dollar. For example, the cost in local currency to exercise an option using the cash purchase exercise method will increase if the value of a participant's local currency declines in relation to the Dollar. Similarly, the local-currency value of shares subject to a restricted or deferred stock award will decline if the value of a participant's local currency increases in relation to the U.S. Dollar.

1.29 Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk from changes in foreign currency exchange rates and interest rates. We selectively manage these exposures through the use of derivative instruments, including forward exchange contracts and interest rate swaps. The objective of our risk management strategy is to minimize the volatility from fluctuations in foreign currency and interest rates. We do not use derivative instruments for trading purposes. The counterparties to our forward exchange contracts and interest rate swaps are global commercial and investment banks.

We are subject to interest rate risk on our long-term debt and some of our long-term investments in fixed income securities. Our short-term investments in fixed income securities and short-term borrowings do not give rise to significant interest rate risk due to their short-term nature. We had fixed rate long-term debt totaling $4.8 billion at both December 31, 2012 and December 31, 2011, with none maturing before May 2017. We also had $128 million of long-term investments in fixed income securities at December 31, 2012, of which the latest maturity date is December 2015. We maintain an interest rate management strategy that is intended to mitigate the exposure to changes in interest rates in the aggregate for our investment portfolio. We hold a series of interest rate swaps relating to two of our debt instruments with a total notional amount of $1.0 billion at a weighted-average, LIBOR-based, floating rate of 3.3% as of December 31, 2012. At December 31, 2012, we had fixed rate debt aggregating $3.8 billion and variable rate debt aggregating $1.0 billion, after taking into account the effects of the interest rate swaps. The fair value of our interest rate swaps was not material as of December 31, 2012 or December 31, 2011. After consideration of the impact from the interest rate swaps, a hypothetical 100 basis point increase in the LIBOR rate would result in approximately an additional $10 million of interest charges for the year ended December 31, 2012.

Information regarding our exposure to foreign currency and interest rate fluctuations, risk concentration, and financial instruments used to minimize risk is included in Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Instrument Market Risk in Halliburton's 2012 Annual Report on Form 10-K and in Note 13 to the consolidated financial statements (set out in Section 1 of Part III of this Prospectus).

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FORWARD-LOOKING STATEMENTS

Some statements in this document are forward-looking. Forward-looking information is based on projections and estimates, not historical information.

Forward-looking information involves risk and uncertainties and reflects our best judgment based on current information. Our results of operations can be affected by inaccurate assumptions we make or by known or unknown risks and uncertainties. In addition, other factors may affect the accuracy of our forward-looking information. As a result, no forward-looking information can be guaranteed. Actual events and the results of operations may vary materially. Any such information shall be updated as required by the Prospectus Rules.

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DEFINITIONS AND INTERPRETATION

The following definitions apply throughout this document unless the context otherwise requires:

"**Company**", "**we**", "**us**" or "**Halliburton**"	Halliburton Company
"**Common Stock**"	common stock of Halliburton with a par value of $2.50 per share
"**Board**" or "**Directors**"	the board of directors of Halliburton Company whose names are set out in paragraph 2.1 of this document
"**Dollars**" or "**$**"	the lawful currency of the United States of America
"**EEA**"	the European Economic Area
"**Group**"	Halliburton Company and its Subsidiaries
"**Participant(s)**"	an employee of the Group who is eligible to participate and has enrolled in the relevant Stock Plan in accordance with the relevant Stock Plan
"**Participating Employer**"	Halliburton and its relevant Subsidiaries, being the relevant employing companies from time to time in relation to the relevant Stock Plan(s)
"**Plan Documents**"	the relevant subscription documents relating to a Stock Plan, including its terms and conditions
"**Prospectus**" or "**document**"	this document, including the annexed information in Parts II and III, and including the summary appearing at the beginning of this document
"**Prospectus Rules**"	the prospectus rules published by the United Kingdom Financial Conduct Authority from time to time
"**Regulations**"	the Prospectus Regulations 2005 of the United Kingdom
"**SEC**"	the United States Securities and Exchange Commission
"**Stock Plans**"	the stock and share plans of Halliburton, which are summarized in Part II of this document
"**Subsidiaries**"	the subsidiaries of the Company, of which certain subsidiaries are set out in paragraph 7 of Part I of this document
"USA"	the United States of America

In this document the financial figures of Halliburton are interpreted as follows unless the context otherwise requires:

"**during 200X**" or "**in 200X**"	the fiscal year for that year
"**fiscal year for year ended**"	the year from January 1 to December 31
"**fourth quarter**"	the period from October 1 to December 31
"**third quarter**"	the period from July 1 to September 30
"**second quarter**"	the period from April 1 to June 30
"**first quarter**"	the period from January 1 to March 31

2. PERSONS RESPONSIBLE

2.1 The persons responsible for the information given in this document are Halliburton and the Directors of Halliburton whose names are set out below. Having taken all reasonable care to ensure that such is the case, the information contained in this document is, to the best of the Directors and the Company's knowledge, in accordance with the facts and contains no omission likely to affect its import.

Alan M. Bennett	Abdallah S. Jum'ah
James R. Boyd	David J. Lesar
Milton Carroll	Robert A. Malone
Nance K. Dicciani	J. Landis Martin
Murry S. Gerber	Debra L. Reed
José C. Grubisich	

Further details on each Director are set out in paragraph 14.1 of this Prospectus.

3. STATUTORY AUDITORS

3.1 The statutory auditors of Halliburton are KPMG LLP of Suite 4500, 811 Main Street, Houston, Texas 77002, USA.

3.2 The Company's auditors are an independent registered public accounting firm with the Public Company Accounting Oversight Board (United States), created pursuant to the Sarbanes-Oxley Act of 2002.

3.3 The Company's auditors have not resigned or been removed and have been reappointed in the fiscal years of 2010, 2011, and 2012.

4. SELECTED FINANCIAL INFORMATION

Quarterly Unaudited Historical Information

The unaudited summary consolidated financial data set out below is extracted from our unaudited condensed consolidated financial statements contained in our first quarter 2013 Quarterly Report on Form 10-Q and supporting detail schedules from our financial transaction system without material adjustment. These amounts are not based on any forecast, estimated, or pro forma figures. This data should be read in conjunction with our unaudited, condensed consolidated financial statements and the related notes in the first quarter 2013 Quarterly Report on Form 10-Q, which is included in Part III of this Prospectus.

	Three Months Ended March 31	
(Millions of dollars)	**2013**	**2012**
Revenue:		
Completion and Production	$ 4,100	$ 4,290
Drilling and Evaluation	2,874	2,578
Total revenue	$ 6,974	$ 6,868
Operating income (loss):		
Completion and Production	$ 615	$ 1,036
Drilling and Evaluation	407	368
Total operations	1,022	1,404
Corporate and other	(1,120)	(381)
Total operating income (loss)	$ (98)	$ 1,023
Interest expense, net of interest income	(71)	(74)
Other, net	(14)	(7)
Income (loss) from continuing operations before income taxes	$ (183)	$ 942
Income tax benefit (provision)	172	(304)
Income (loss) from continuing operations	(11)	638
Loss from discontinued operations, net of income tax benefit of $2 and $5	(5)	(8)
Net income (loss)	$ (16)	$ 630
Noncontrolling interest in net income of subsidiaries	(2)	(3)
Net income (loss) attributable to company	$ (18)	$ 627
Other financial data:		
Capital expenditures	$ 685	$ 782
Depreciation, depletion, and amortization	448	385

Financial position:	**March 31 2013**	**December 31 2012**
Net working capital (1)	$ 8,486	$ 8,334
Property, plant, and equipment, net	10,509	10,257
Total assets	27,684	27,410
Long-term debt, including current maturities	4,820	4,820
Total shareholders' equity	15,737	15,790

(1) Calculated as current assets minus current liabilities.

Annual Audited Historical Information

The summary consolidated financial data set out below is extracted from Halliburton's audited consolidated financial statements in our 2012 Annual Report on Form 10-K and supporting detail schedules from our financial transaction system without material adjustment. These amounts are not based on any forecast, estimated, or pro forma figures. This data should be read in conjunction with our audited consolidated financial statements and the related notes in those reports, which are included in Part III of this Prospectus.

(Millions of dollars)	Year Ended December 31 2012	2011	2010
Revenue:			
Completion and Production	$ 17,380	$ 15,143	$ 9,997
Drilling and Evaluation	11,123	9,686	7,976
Total revenue	$ 28,503	$ 24,829	$ 17,973
Operating income:			
Completion and Production	$ 3,144	$ 3,733	$ 2,032
Drilling and Evaluation	1,675	1,403	1,213
Total operations	4,819	5,136	3,245
Corporate and other	(660)	(399)	(236)
Total operating income	$ 4,159	$ 4,737	$ 3,009
Interest expense, net of interest income	(298)	(263)	(297)
Other, net	(39)	(25)	(57)
Income from continuing operations before income taxes	$ 3,822	$ 4,449	$ 2,655
Provision for income taxes	(1,235)	(1,439)	(853)
Income from continuing operations	2,587	3,010	1,802
Income (loss) from discontinued operations, net of tax (provision) benefit of $82, $(18), and $75	58	(166)	40
Net income	$ 2,645	$ 2,844	$ 1,842
Noncontrolling interest in net income of subsidiaries	(10)	(5)	(7)
Net income attributable to company	$ 2,635	$ 2,839	$ 1,835
Other financial data:			
Capital expenditures	$ 3,566	$ 2,953	$ 2,069
Depreciation, depletion, and amortization	1,628	1,359	1,119

	December 31		
Financial position:	**2012**	**2011**	**2010**
Net working capital (1)	$ 8,334	$ 7,456	$ 6,129
Property, plant, and equipment, net	10,257	8,492	6,842
Total assets	27,410	23,677	18,297
Long-term debt, including current maturities	4,820	4,820	3,824
Total shareholders' equity	15,790	13,216	10,387

(1) Calculated as current assets minus current liabilities.

Selected Ratios

	Debt-to-Equity Ratio	Debt-to-Total Capitalization Ratio (1)	Net Debt-to-Net Capitalization Ratio (2)
12/31/10	37.1%	27.1%	14.8%
12/31/11	36.9%	27.0%	13.3%
12/31/12	31.5%	24.0%	11.7%
03/31/13	31.1%	23.7%	13.5%

(1) Calculated as debt divided by debt plus shareholders' equity.
(2) Calculated as debt minus cash and equivalents and investments in marketable securities divided by total capitalization minus cash and equivalents and investments in marketable securities.

There were no cash drawings or borrowings under the revolving credit facilities held by the Company as of March 31, 2013. There have been no changes to the borrowings of the Company since December 31, 2012 that are regarded by the Company as significant.

Net indebtedness table	March 31	December 31	December 31
(Millions of dollars)	2013	2012	2011
Cash and equivalents	$ 2,029	$ 2,484	$ 2,698
Investments in marketable securities, current portion	294	270	150
Liquidity	2,323	2,754	2,848
Current financial receivable	6,210	5,787	5,084
Current portion of non-current debt	-	-	-
Other current financial debt	78	155	61
Current financial debt	78	155	61
Net current financial indebtedness	(8,455)	(8,386)	(7,871)
Investments in marketable securities, non-current portion	124	128	-
Bonds issued	4,820	4,820	4,820
Other non-current loans	-	-	-
Non-current financial indebtedness	4,820	4,820	4,820
Net non-current financial indebtedness	4,696	4,692	4,820
Net financial indebtedness	$ (3,759)	$ (3,694)	$ (3,051)

Long-term debt table	March 31	December 31	December 31
(Millions of dollars)	2013	2012	2011
6.15% senior notes due September 2019	$ 997	$ 997	$ 997
7.45% senior notes due September 2039	995	995	995
6.7% senior notes due September 2038	800	800	800
3.25% senior notes due November 2021	498	498	498
4.5% senior notes due November 2041	498	498	498
5.9% senior notes due September 2018	400	400	400
7.6% senior debentures due August 2096	293	293	293
8.75 senior debentures due February 2021	184	184	184
Other	155	155	155
Total long-term debt	$ 4,820	$ 4,820	$ 4,820

All of our senior notes and debentures rank equally with our existing and future senior unsecured indebtedness, have semiannual interest payments, and no sinking fund requirements. We may redeem all of our senior notes from time to time or all of the notes of each series at any time at the applicable redemption prices, plus accrued and unpaid interest. Our 7.6% and 8.75% senior debentures may not be redeemed prior to maturity.

Capitalization and indebtedness table	March 31	December 31	December 31
(Millions of dollars)	2013	2012	2011
Current debt			
Unguaranteed/unsecured	$ 78	$ 155	$ 61
Total current debt	78	155	61
Non-current debt (excluding current portion of long-term debt)			
Unguaranteed/unsecured	4,820	4,820	4,820
Total non-current debt	4,820	4,820	4,820
Shareholders' equity:			
Share capital	15,737	15,790	13,216
Total shareholders' equity	15,737	15,790	13,216
Total	$20,635	$20,765	$18,097

Note: Borrowing requirements of Halliburton are not seasonal.

5. INFORMATION ABOUT HALLIBURTON

5.1 History and Development of Halliburton Company

Halliburton's predecessor was incorporated under the laws of the State of Delaware in 1924. Halliburton is a for-profit corporation and is domiciled in the United States of America and operates under the state and federal laws of the State of Delaware and the United States. Halliburton's Internal Revenue Service Employer Identification number is 75-2677995. The address of Halliburton's principal executive office is at 3000 North Sam Houston Parkway East, Houston, Texas 77032, USA, and its telephone number is 001 (281) 871- 2699.

Halliburton and Dresser Industries, Inc. ("Dresser Industries") were founded early in the 20th century and shared a dedication to technological leadership, operational excellence, innovative business relationships and a dynamic workforce.

Through the first half of the 20th century, the entities patented technologies and products, developed new services and supported and facilitated the growth of the energy and engineering and construction industries. They enjoyed significant growth and diversification during World War II and the post-war boom. The business also effectively managed through cycles of record prosperity and serious recession, intense competition and rapid technological advancement through the second half of the century.

Halliburton grew from the risk-taking entrepreneurialism of Erle P. Halliburton, who established the New Method Oil Well Cementing Company in Oklahoma in 1919. By Erle P. Halliburton's death in 1957, the Company had 201 offices in 22 states and 20 foreign countries.

Dresser Industries also prospered during the first half of the 20th century. A patent for a cylindrical packer launched Dresser's oilfield products manufacturing business. Dresser Industries evolved over the next 100 years into a major provider of integrated services and project management for the oil and gas industry.

In 1998, Halliburton merged with Dresser Industries. We have integrated Dresser's well-known and respected brands such as Sperry-Sun Drilling Services, Baroid Drilling Fluids and Security DBS. We have divested the Dresser Equipment Group and the business of the M.W. Kellogg Company, which was separated from Halliburton as part of a split-off of our KBR subsidiary in 2007.

Separation of KBR, Inc.

During 2007, we completed the separation of KBR, Inc. ("KBR") from us by exchanging KBR common stock owned by us for our Common Stock. We entered into various agreements relating to the separation of KBR, including, among others, a Master Separation Agreement and a Tax Sharing Agreement. We recorded a liability reflecting the estimated fair value of the indemnities provided to KBR as described below. Since the separation, we have recorded adjustments to reflect changes to our estimation of our

remaining obligation. All such adjustments are recorded in “Income (loss) from discontinued operations, net of income tax (provision) benefit.” Amounts accrued relating to our KBR liabilities are primarily included in “Other liabilities” in our consolidated balance sheets and totaled $219 million as of December 31, 2012 and $201 million as of December 31, 2011. During the first quarter of 2013, we paid $219 million to satisfy our obligation under a guarantee related to the Barracuda-Caratinga matter, a legacy KBR project. Accordingly, there were no amounts accrued at March 31, 2013.

Barracuda-Caratinga arbitration

We agreed to provide indemnification in favor of KBR under the Master Separation Agreement for liabilities KBR may incur after the effective date of the Master Separation Agreement as a result of certain allegedly defective subsea flowline bolts installed in connection with the Barracuda-Caratinga project. Prior to that, at the inception of the project, we had provided a guarantee to Barracuda & Caratinga Leasing Company BV (“BCLC”), a subsidiary of our customer, Petrobras, of KBR's obligations with respect to the project.

During the third quarter of 2011, an arbitration panel issued an award against KBR in the amount of approximately $201 million, plus post-judgment interest. At that time, we adjusted our liability related to the indemnification under the Master Separation Agreement to reflect the award. In December 2012, BCLC sent us a demand for payment of the arbitration award under the terms of our guarantee. In January 2013, the matter was resolved by our payment of $219 million to BCLC under the guarantee. We recorded an $80 million tax benefit in 2012 related to the satisfaction of this obligation under the guarantee. See paragraph 20.7.2 of this Prospectus for further discussion of the Barracuda-Caratinga matter.

Tax sharing agreement

The Tax Sharing Agreement provides for the calculation and allocation of United States and certain other jurisdiction tax liabilities between us and KBR for the periods 2001 through the date of separation. The Tax Sharing Agreement is complex, and finalization of amounts owed between KBR and us under the Tax Sharing Agreement can occur only after income tax audits are completed by the taxing authorities and both parties have had time to analyze the results.

During the second quarter of 2012, we sent a notice as required by the Tax Sharing Agreement to KBR requesting the appointment of an arbitrator in accordance with the terms of the Tax Sharing Agreement. This request asked the arbitrator to find that KBR owes us $256 million pursuant to the Tax Sharing Agreement. KBR denied that it owes us any amount and asserted instead that we owe KBR certain amounts under the Tax Sharing Agreement. KBR also asserted that they believe the Master Separation Agreement controls this matter and demanded arbitration under that agreement. On July 10, 2012, we filed suit in the District Court of Harris County, Texas, seeking to compel KBR to arbitrate this dispute in accordance with the provisions of the Tax Sharing Agreement, rather than the Master Separation Agreement. KBR filed a cross-motion seeking to compel arbitration under the Master Separation Agreement. In September 2012, the court denied our motion and granted KBR's motion to compel arbitration under the Master Separation Agreement. We have filed a notice of appeal, which is pending. The arbitration is scheduled to occur in May 2013. Any unresolved issues remaining after the arbitration will be decided by an accounting referee at a later date. No anticipated recovery amounts or liabilities related to this matter have been recognized in the condensed consolidated financial statements.

Business Segments

We operate under two divisions, which form the basis for the two operating segments we report: the Completion and Production segment and the Drilling and Evaluation segment. Our Completion and Production segment delivers cementing, stimulation, intervention, pressure control, specialty chemicals, artificial lift, and completion services. The segment consists of Halliburton Production Enhancement, Cementing, Completion Tools, Boots & Coots, and Multi-Chem. Effective January 1, 2013, Halliburton Artificial Lift was included as a product service line within the Completion and Production segment. Our Drilling and Evaluation segment provides field and reservoir modeling, drilling, evaluation, and wellbore placement solutions that enable customers to model, measure, and optimize their well construction activities. The segment consists of Halliburton Drill Bits and Services, Wireline & Perforating, Testing and Subsea, Baroid, Sperry Drilling, Landmark Software and Services, and Halliburton Consulting and Project Management.

5.2 Investments

Halliburton’s principal investments are set out in paragraph 7 of this Prospectus. These investments consist of the multi-national group of companies that conduct the business operations of our two divisions,

which form the basis for the two operating segments we report: the Completion and Production segment and the Drilling and Evaluation segment. We fund our business operations through a combination of available cash and equivalents, short-term investments, cash flow generated from operations, and, from time to time, the capital markets.

Halliburton does not have any principal investments that are in progress or principal future investments on which its management has made commitments. Please note, however, Halliburton's strategy is to acquire companies or technologies that add to its portfolio of product and service offerings.

See paragraph 12 of this Prospectus for a discussion of our recent and current initiatives.

6. BUSINESS OVERVIEW

6.1 Principal activities of the Business

We are a leading provider of services and products to the energy industry related to the exploration, development, and production of oil and natural gas. We serve major, national, and independent oil and natural gas companies throughout the world and operate under two divisions, which form the basis for the two operating segments we report, the Completion and Production segment and the Drilling and Evaluation segment. The following summarizes our services and products for each business segment.

6.1.1 **Completion and Production**

Completion and Production delivers cementing, stimulation, intervention, pressure control, specialty chemicals, artificial lift, and completion services. The segment consists of Halliburton Production Enhancement, Cementing, Completion Tools, Boots & Coots, and Multi-Chem. Effective January 1, 2013, Halliburton Artificial Lift was included as a product service line within this segment.

Halliburton Production Enhancement services include stimulation services and sand control services. Stimulation services optimize oil and natural gas reservoir production through a variety of pressure pumping services, nitrogen services, and chemical processes, commonly known as hydraulic fracturing and acidizing. Sand control services include fluid and chemical systems and pumping services for the prevention of formation sand production.

Cementing services involve bonding the well and well casing while isolating fluid zones and maximizing wellbore stability. Our cementing service line also provides casing equipment.

Completion Tools provides downhole solutions and services to our customers to complete their wells, including well completion products and services, intelligent well completions, liner hanger systems, sand control systems, and service tools.

Boots & Coots includes well intervention services, pressure control, equipment rental tools and services, and pipeline and process services.

Multi-Chem includes oilfield production and completion chemicals and services that address production, processing, and transportation challenges.

6.1.2 **Drilling and Evaluation**

Drilling and Evaluation provides field and reservoir modeling, drilling, evaluation, and wellbore placement solutions that enable customers to model, measure, and optimize their well construction activities. The segment consists of Halliburton Drill Bits and Services, Wireline & Perforating, Testing and Subsea, Baroid, Sperry Drilling, Landmark Software and Services, and Halliburton Consulting and Project Management.

Halliburton Drill Bits and Services provides roller cone rock bits, fixed cutter bits, hole enlargement and related downhole tools and services used in drilling oil and natural gas wells. In addition, coring equipment and services are provided to acquire cores of the formation drilled for evaluation.

Wireline and Perforating services include open-hole logging services that provide information on formation evaluation and reservoir fluid analysis, including formation lithology, rock properties, and reservoir fluid properties. Also offered are cased-hole and slickline services, which provide perforating, pipe recovery services, through-casing formation evaluation and reservoir monitoring, casing and cement integrity

measurements, and well intervention services. Borehole seismic services include downhole seismic operations check-shots and vertical seismic profiles, and provide the link between surface seismic and the wellbore. Finally, formation and reservoir solutions transform formation evaluation data into reservoir insight through geoscience solutions.

Testing and Subsea services provide acquisition and analysis of dynamic reservoir information and reservoir optimization solutions to the oil and natural gas industry through a broad portfolio of test tools, data acquisition services, fluid sampling, surface well testing, and subsea safety systems.

Baroid provides drilling fluid systems, performance additives, completion fluids, solids control, specialized testing equipment, and waste management services for oil and natural gas drilling, completion, and workover operations.

Sperry Drilling provides drilling systems and services. These services include directional and horizontal drilling, measurement-while-drilling, logging-while-drilling, surface data logging, multilateral systems, underbalanced applications, and rig site information systems. Our drilling systems offer directional control for precise wellbore placement while providing important measurements about the characteristics of the drill string and geological formations while drilling wells. Real-time operating capabilities enable the monitoring of well progress and aid decision-making processes.

Landmark Software and Services is a supplier of integrated exploration, drilling and production software, and related professional and data management services for the upstream oil and natural gas industry.

Halliburton Consulting and Project Management provides oilfield project management and integrated solutions to independent, integrated, and national oil companies. These offerings make use of all of our oilfield services, products, technologies, and project management capabilities to assist our customers in optimizing the value of their oil and natural gas assets.

6.2 **Business Strategy**

Our business strategy is to secure a distinct and sustainable competitive position as an oilfield service company by delivering services and products to our customers that maximize their production and recovery and realize proven reserves from difficult environments. Our objectives are to:

- create a balanced portfolio of services and products supported by global infrastructure and anchored by technological innovation with a well-integrated digital strategy to further differentiate our company;
- reach a distinguished level of operational excellence that reduces costs and creates real value from everything we do;
- preserve a dynamic workforce by being a preferred employer to attract, develop, and retain the best global talent; and
- uphold the ethical and business standards of the company and maintain the highest standards of health, safety, and environmental performance.

Markets and competition We are one of the world's largest diversified energy services companies. Our services and products are sold in highly competitive markets throughout the world. Competitive factors impacting sales of our services and products include:

- price;
- service delivery (including the ability to deliver services and products on an "as needed, where needed" basis);
- health, safety, and environmental standards and practices;
- service quality;
- global talent retention;
- understanding of the geological characteristics of the hydrocarbon reservoir;
- product quality;
- warranty; and
- technical proficiency.

We conduct business worldwide in approximately 80 countries. The business operations of our divisions are organized around four primary geographic regions: North America, Latin America, Europe/Africa/CIS, and Middle East/Asia. In 2012, 2011, and 2010, based on the location of services provided and products sold, 53%, 55%, and 46% of our consolidated revenue was from the United States. In the first quarter of

2013, based upon the location of the services provided and products sold, 49% of our consolidated revenue was from the United States. In the first quarter of 2012, 56% of our consolidated revenue was from the United States. No other country accounted for more than 10% of our consolidated revenue during these periods. Because the markets for our services and products are vast and cross numerous geographic lines, a meaningful estimate of the total number of competitors cannot be made. The industries we serve are highly competitive, and we have many substantial competitors. Most of our services and products are marketed through our servicing and sales organizations.

REVENUE by segment and region:

	Years Ended December 31		
Millions of dollars	2012	2011	2010
Completion and Production:			
North America	$ 12,157	$ 10,907	$ 6,183
Latin America	1,415	1,117	839
Europe/Africa/CIS	2,099	1,746	1,797
Middle East/Asia	1,709	1,373	1,178
Total	17,380	15,143	9,997
Drilling and Evaluation:			
North America	3,847	3,506	2,644
Latin America	2,279	1,865	1,390
Europe/Africa/CIS	2,411	2,210	2,117
Middle East/Asia	2,586	2,105	1,825
Total	11,123	9,686	7,976
Total revenue by region:			
North America	16,004	14,413	8,827
Latin America	3,694	2,982	2,229
Europe/Africa/CIS	4,510	3,956	3,914
Middle East/Asia	4,295	3,478	3,003

REVENUE by segment and region:

	Three Months Ended March 31	
Millions of dollars	2013	2012
Completion and Production:		
North America	$ 2,745	$ 3,182
Latin America	355	306
Europe/Africa/CIS	532	456
Middle East/Asia	468	346
Total	4,100	4,290
Drilling and Evaluation:		
North America	961	986
Latin America	590	474
Europe/Africa/CIS	655	556
Middle East/Asia	668	562
Total	2,874	2,578
Total revenue by region:		
North America	3,706	4,168
Latin America	945	780
Europe/Africa/CIS	1,187	1,012
Middle East/Asia	1,136	908

Operations in some countries may be adversely affected by unsettled political conditions, acts of terrorism, civil unrest, expropriation or other governmental actions, foreign currency exchange restrictions, and highly inflationary currencies, as well as other geopolitical factors. We believe the geographic diversification of our business activities reduces the risk that loss of operations in any one country, other than the United States, would be material to the conduct of our operations taken as a whole.

Customers Our revenue from continuing operations during the past three years was derived from the sale of services and products to the energy industry. No customer represented more than 10% of consolidated revenue in any period presented.

Raw materials Raw materials essential to our business are normally readily available. Market conditions can trigger constraints in the supply of certain raw materials, such as proppants, hydrochloric acid, and gels, including guar gum (a blending additive used in our hydraulic fracturing process). We are always seeking ways to ensure the availability of resources, as well as manage costs of raw materials. Our procurement department uses our size and buying power to enhance our access to key materials at competitive prices.

Research and development costs We maintain an active research and development program. The program improves products, processes, and engineering standards and practices that serve the changing needs of our customers, such as those related to high pressure and high temperature environments, and also develops new products and processes. Our expenditures for research and development activities were $460 million in 2012, $401 million in 2011, and $366 million in 2010. These expenditures were over 95% company-sponsored in each year.

Patents We own a large number of patents and have pending a substantial number of patent applications covering various products and processes. We are also licensed to utilize patents owned by others. We do not consider any particular patent to be material to our business operations.

Seasonality Weather and natural phenomena can temporarily affect the performance of our services, but the widespread geographical locations of our operations serve to mitigate those effects. Examples of how weather can impact our business include:

- the severity and duration of the winter in North America can have a significant impact on natural gas storage levels and drilling activity;
- the timing and duration of the spring thaw in Canada directly affects activity levels due to road restrictions;
- typhoons and hurricanes can disrupt coastal and offshore operations; and
- severe weather during the winter months normally results in reduced activity levels in the North Sea and Russia.

Additionally, customer spending patterns for software and various other oilfield services and products can result in higher activity in the fourth quarter of the year.

Employees At March 31, 2013, we employed over 73,000 people worldwide. At December 31, 2012, we employed approximately 73,000 people worldwide compared to approximately 68,000 at December 31, 2011. At December 31, 2012, approximately 16% of our employees were subject to collective bargaining agreements. Based upon the geographic diversification of these employees, we do not believe any risk of loss from employee strikes or other collective actions would be material to the conduct of our operations taken as a whole. Refer to paragraph 17.1 of this Prospectus for further information.

6.3 Principal Markets

For total revenue by operating segment for each period covered by the historical financial information, see paragraph 9.2 of this Prospectus.

7. ORGANISATIONAL STRUCTURE

Halliburton is the ultimate parent company of a multi-national group of companies. Financing of group capital expenditures and working capital is managed at the parent company level with funding by the parent and/or other subsidiaries in compliance with legal and tax requirements.

Halliburton's significant subsidiaries, all of which are wholly owned within the Halliburton group, are as follows:

Name of subsidiary	**State or Country of Incorporation**
Baroid International Trading, LLC	United States, Delaware

Name of subsidiary	State or Country of Incorporation
BITC Holdings (US) LLC	United States, Delaware
Halliburton (Barbados) Investments SRL	Barbados
Halliburton Affiliates, LLC	United States, Delaware
Halliburton AS	Norway
Halliburton Brazil Holdings B.V	Netherlands
Halliburton Canada Corp.	Canada, Alberta
Halliburton Canada Holdings B.V.	Netherlands
Halliburton Canada Holdings, LLC	United States, Delaware
Halliburton Canada ULC	Canada, Alberta
Halliburton de Mexico, S. de R.L. de C.V.	Mexico
Halliburton Energy Services, Inc.	United States, Delaware
Halliburton Far East Pte Ltd	Singapore
Halliburton Global Affiliates Holdings B.V.	Netherlands
Halliburton Group Canada	Canada
Halliburton International, Inc.	United States, Delaware
Halliburton International Holdings	Bermuda
Halliburton Investments B.V.	Netherlands
Halliburton Latin America S.A., LLC	United States, Delaware
Halliburton Luxembourg Holdings S.à r.l.	Luxembourg
Halliburton Luxembourg Intermediate S.à r.l.	Luxembourg
Halliburton Norway Holdings C.V.	Netherlands
Halliburton Operations Nigeria Limited	Nigeria
Halliburton Overseas Limited	Cayman Islands
Halliburton Partners Canada ULC	Canada, Alberta
Halliburton Servicos Ltda.	Brazil
Halliburton U.S. International Holdings, Inc.	United States, Delaware
Halliburton Worldwide GmbH	Switzerland
HES Corporation	United States, Nevada
HES Holding, Inc.	United States, Delaware
HESI Holdings B.V.	Netherlands
Kellogg Energy Services, Inc.	United States, Delaware
Landmark Graphics Corporation	United States, Delaware
Oilfield Telecommunications, LLC.	United States, Delaware

8. PROPERTY PLANT AND EQUIPMENT

8.1 Property

We own or lease numerous properties in domestic and foreign locations. Our principal properties include manufacturing facilities, research and development laboratories, technology centers, and corporate offices. All of our owned properties are unencumbered. The following locations represent our major facilities and corporate offices:

Completion and Production segment:	Arbroath, United Kingdom Johor, Malaysia Lafayette, Louisiana Monterrey, Mexico Sao Jose dos Campos, Brazil Singapore, Singapore Stavanger, Norway
Drilling and Evaluation segment:	Alvarado, Texas Nisku, Canada Singapore, Singapore The Woodlands, Texas

Shared/corporate facilities:	Carrollton, Texas Dubai, United Arab Emirates Duncan, Oklahoma Houston, Texas Pune, India

In addition, we have 180 international and 120 United States field camps from which we deliver our services and products. We also have numerous small facilities that include sales, project, and support offices and bulk storage facilities throughout the world.

We believe all properties that we currently occupy are suitable for their intended use.

8.2 Environmental regulation

We are subject to numerous environmental, legal, and regulatory requirements related to our operations worldwide. In the United States, these laws and regulations include, among others:

- the Comprehensive Environmental Response, Compensation, and Liability Act;
- the Resource Conservation and Recovery Act;
- the Clean Air Act;
- the Federal Water Pollution Control Act;
- the Toxic Substances Control Act; and
- the Oil Pollution Act of 1990.

In addition to the federal laws and regulations, states and other countries where we do business often have numerous environmental, legal, and regulatory requirements by which we must abide. We evaluate and address the environmental impact of our operations by assessing and remediating contaminated properties in order to avoid future liabilities and comply with environmental, legal, and regulatory requirements. Our Health, Safety and Environment group has several programs in place to maintain environmental leadership and to help prevent the occurrence of environmental contamination. On occasion, in addition to the matters relating to the Macondo well incident described above and the Duncan, Oklahoma matter described below, we are involved in other environmental litigation and claims, including the remediation of properties we own or have operated, as well as efforts to meet or correct compliance-related matters. We do not expect costs related to those claims and remediation requirements to have a material adverse effect on our liquidity position, consolidated results of operations, or consolidated financial position. Excluding our loss contingency for the Macondo well incident, our accrued liabilities for environmental matters were $71 million as of March 31, 2013, $72 million as of December 31, 2012, and $81 million as of December 31, 2011. Because our estimated liability is typically within a range and our accrued liability may be the amount on the low end of that range, our actual liability could eventually be well in excess of the amount accrued. Our total liability related to environmental matters covers numerous properties.

In November 2012, the Company received an Enforcement Notice from the Pennsylvania Department of Environmental Protection (“PADEP”) regarding an alleged improper disposal of oil field acid in or around Homer City, Pennsylvania between 1999 and 2011. We are currently negotiating with the PADEP to resolve this matter in an amicable manner. We expect the PADEP to assess a penalty in excess of $100,000 and have therefore accrued for an immaterial amount.

Between approximately 1965 and 1991, one or more former Halliburton units performed work (as a contractor or subcontractor) for the U.S. Department of Defense cleaning solid fuel from missile motor casings at a semi-rural facility on the north side of Duncan, Oklahoma. In addition, from approximately November 1983 through December 1985, a discrete portion of the site was used to conduct a recycling project on stainless steel nuclear fuel rod racks from Omaha Public Power District’s Fort Calhoun Station. We closed the site in coordination with the Oklahoma Department of Environmental Quality (DEQ) in the mid-1990s, but continued to monitor the groundwater at the DEQ’s request. A principal component of the missile fuel was ammonium perchlorate, a salt that is highly soluble in water, which has been discovered in the soil and groundwater on our site and in certain residential water wells near our property. In August 2011, we entered into the DEQ’s Voluntary Cleanup Program and executed a voluntary Memorandum of Agreement and Consent Order for Site Characterization and Risk Based Remediation with the DEQ relating to the remediation of this site.

Commencing in October 2011, a number of lawsuits were filed against us, including a putative class action case in federal court in the Western District of Oklahoma and other lawsuits filed in Oklahoma state courts. The lawsuits generally allege, among other things, that operations at our Duncan facility caused releases of pollutants, including ammonium perchlorate and, in the case of the federal lawsuit, nuclear or radioactive

waste, into the groundwater, and that we knew about those releases and did not take corrective actions to address them. It is also alleged that the plaintiffs have suffered from certain health conditions, including hypothyroidism, a condition that has been associated with exposure to perchlorate at sufficiently high doses over time. These cases seek, among other things, damages, including punitive damages, and the establishment of a fund for future medical monitoring. The cases allege, among other things, strict liability, trespass, private nuisance, public nuisance, and negligence and, in the case of the federal lawsuit, violations of the U.S. Resource Conservation and Recovery Act ("RCRA"), resulting in personal injuries, property damage, and diminution of property value.

The lawsuits generally allege that the cleaning of the missile casings at the Duncan facility contaminated the surrounding soils and groundwater, including certain water wells used in a number of residential homes, through the migration of, among other things, ammonium perchlorate. The federal lawsuit also alleges that our processing of radioactive waste from a nuclear power plant over 25 years ago resulted in the release of "nuclear/radioactive" waste into the environment. In April 2012, the judge in the federal lawsuit dismissed the plaintiffs' RCRA claim. The other claims brought in that lawsuit remain pending.

To date, soil and groundwater sampling relating to the allegations discussed above has confirmed that the alleged nuclear or radioactive material is confined to the soil in a discrete area of the onsite operations and is not presently believed to be in the groundwater onsite or in any areas offsite. The radiological impacts from this discrete area are not believed to present any health risk for offsite exposure. With respect to ammonium perchlorate, we have made arrangements to supply affected residents with bottled drinking water and, if needed, with access to temporary public water supply lines, at no cost to the residents. We have worked with the City of Duncan and the DEQ to expedite expansion of the city water supply to the relevant areas at our expense.

The lawsuits described above are at an early stage, and additional lawsuits and proceedings may be brought against us. We cannot predict their outcome or the consequences thereof. As of December 31, 2012, we had accrued $25 million related to our initial estimate of response efforts, third-party property damage, and remediation related to the Duncan, Oklahoma matter. We intend to vigorously defend the lawsuits and do not believe that these lawsuits will have a material adverse effect on our liquidity position, consolidated results of operations, or consolidated financial condition.

Additionally, we have subsidiaries that have been named as potentially responsible parties along with other third parties for nine federal and state Superfund sites for which we have established reserves. As of March 31, 2013, those nine sites accounted for approximately $5 million of our $71 million total environmental reserve. Despite attempts to resolve these Superfund matters, the relevant regulatory agency may at any time bring suit against us for amounts in excess of the amount accrued. With respect to some Superfund sites, we have been named a potentially responsible party by a regulatory agency; however, in each of those cases, we do not believe we have any material liability. We also could be subject to third-party claims with respect to environmental matters for which we have been named as a potentially responsible party.

8.3 Hydraulic fracturing process

Hydraulic fracturing is a process that creates fractures extending from the well bore through the rock formation to enable natural gas or oil to move more easily through the rock pores to a production well. A significant portion of our Completion and Production segment provides hydraulic fracturing services to customers developing shale natural gas and shale oil. From time to time, questions arise about the scope of our operations in the shale natural gas and shale oil sectors, and the extent to which these operations may affect human health and the environment.

We generally design and implement a hydraulic fracturing operation to "stimulate" the well, at the direction of our customer, once the well has been drilled, cased, and cemented. Our customer is generally responsible for providing the base fluid (usually water) used in the hydraulic fracturing of a well. We supply the proppant (often sand) and any additives used in the overall fracturing fluid mixture. In addition, we mix the additives and proppant with the base fluid and pump the mixture down the wellbore to create the desired fractures in the target formation. The customer is responsible for disposing of any materials that are subsequently pumped out of the well, including flowback fluids and produced water.

As part of the process of constructing the well, the customer will take a number of steps designed to protect drinking water resources. In particular, the casing and cementing of the well are designed to provide "zonal isolation" so that the fluids pumped down the wellbore and the oil and natural gas and other

materials that are subsequently pumped out of the well will not come into contact with shallow aquifers or other shallow formations through which those materials could potentially migrate to the surface.

The potential environmental impacts of hydraulic fracturing have been studied by numerous government entities and others. In 2004, the United States Environmental Protection Agency ("EPA") conducted an extensive study of hydraulic fracturing practices, focusing on coalbed methane wells, and their potential effect on underground sources of drinking water. The EPA's study concluded that hydraulic fracturing of coalbed methane wells poses little or no threat to underground sources of drinking water. At the request of Congress, the EPA is currently undertaking another study of the relationship between hydraulic fracturing and drinking water resources that will focus on the fracturing of shale natural gas wells.

We have made detailed information regarding our fracturing fluid composition and breakdown available on our internet web site at www.halliburton.com. We also have proactively developed processes to provide our customers with the chemical constituents of our hydraulic fracturing fluids to enable our customers to comply with state laws as well as voluntary standards established by the Chemical Disclosure Registry, www.fracfocus.org.

At the same time, we have invested considerable resources in developing our CleanSuite™ hydraulic fracturing technologies, which offer our customers a variety of environment-friendly alternatives related to the use of hydraulic fracturing fluid additives and other aspects of our hydraulic fracturing operations. We created a hydraulic fracturing fluid system comprised of materials sourced entirely from the food industry. In addition, we have engineered a process to control the growth of bacteria in hydraulic fracturing fluids that uses ultraviolet light, allowing customers to minimize the use of chemical biocides. We are committed to the continued development of innovative chemical and mechanical technologies that allow for more economical and environmentally friendly development of the world's oil and natural gas reserves.

In evaluating any environmental risks that may be associated with our hydraulic fracturing services, it is helpful to understand the role that we play in the development of shale natural gas and shale oil. Our principal task generally is to manage the process of injecting fracturing fluids into the borehole to "stimulate" the well. Thus, based on the provisions in our contracts and applicable law, the primary environmental risks we face are potential pre-injection spills or releases of stored fracturing fluids and spills or releases of fuel or other fluids associated with pumps, blenders, conveyors, or other above-ground equipment used in the hydraulic fracturing process.

Although possible concerns have been raised about hydraulic fracturing operations, the circumstances described above have helped to mitigate those concerns. To date, we have not been obligated to compensate any indemnified party for any environmental liability arising directly from hydraulic fracturing, although there can be no assurance that such obligations or liabilities will not arise in the future.

9. OPERATING AND FINANCIAL REVIEW

9.1 Financial Condition

Please refer to the preceding paragraphs of this document, as well as Part III for the Form 10-K for the year ended December 31, 2012, and the Form 10-Q for the quarter ended March 31, 2013, for the key figures summarising the current financial condition of Halliburton.

9.2 Operating results

RESULTS OF OPERATIONS COMPARATIVE

The following summary consolidated financial data in this paragraph 9.2 is extracted from:

9.2.1 Management's Discussion and Analysis of Financial Condition and Results of Operations in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2013 and is not based on any forecast, estimated, or pro forma figures; and

9.2.2 Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2012 and is not based on any forecast, estimated, or pro forma figures.

RESULTS OF OPERATIONS IN FIRST QUARTER 2013 COMPARED TO FIRST QUARTER 2012

The financial data for our total operating segments, corporate and other operations presented in the tables below for the quarterly periods ended March 31, 2013 and 2012, are unaudited and should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes in the Quarterly Report for 2013, which is included in Section 5 of Part III of this Prospectus.

Three Months Ended March 31, 2013, Compared with Three Months Ended March 31, 2012

(Table below contains unaudited data)

REVENUE:			Favorable	Percentage
Millions of dollars	2013	2012	(Unfavorable)	Change
Completion and Production	$ 4,100	$ 4,290	$ (190)	(4)%
Drilling and Evaluation	2,874	2,578	296	11
Total operating income	$ 6,974	$ 6,868	$ 106	2%

OPERATING INCOME:			Favorable	Percentage
Millions of dollars	2013	2012	(Unfavorable)	Change
Completion and Production	$ 615	$ 1,036	$ (421)	(41)%
Drilling and Evaluation	407	368	39	11
Corporate and other	(1,120)	(381)	(739)	194
Total operating income	$ (98)	$ 1,023	$ (1,121)	(110)%

The 2% increase in consolidated revenue in the first quarter of 2013 compared to the first quarter of 2012 was a result of activity growth across all international regions. Revenue outside North America was 47% of consolidated revenue in the first quarter of 2013 and 39% of consolidated revenue in the first quarter of 2012.

The decrease of $1.1 billion, or 110%, in consolidated operating income in the first quarter of 2013 compared to the first quarter of 2012 was primarily due to a $1.0 billion, pre-tax, loss contingency related to the Macondo well incident that was recorded in the first quarter of 2013, compared to a $300 million, pre-tax, Macondo-related loss contingency recorded in the first quarter of 2012. Additionally, we experienced reduced activity levels and pricing constraints in North America, which were partially offset by strong results in our international regions.

Completion and Production revenue decreased by 4% due to reduced stimulation activities in North America. North America revenue declined 14% from the first three months of 2012, as a result of the downturn in production enhancement services in the United States land market. Latin America revenue was up 16% due to increased completion tools sales in Brazil and higher unconventional stimulation activity in Mexico. Europe/Africa/CIS revenue increased 17%, with completions activity in Norway, the United Kingdom, and Angola driving the change. Middle East/Asia revenue improved 35% due to higher activity for all product lines in Australia and Saudi Arabia and increased completion tools sales in Malaysia. Revenue outside North America was 33% of total segment revenue in the first three months of 2013 and 26% of total segment revenue in the first three months of 2012.

Completion and Production operating income decreased 41% compared to the first quarter of 2012, as pricing pressure and reduced operator activities continued to impact production enhancement margins in North America. North America operating income declined 50% as a result of reduced profitability for stimulation activities in the United States land market. Latin America operating income fell 49% due to increased costs for cementing throughout the region and in the Boots & Coots product service line in Mexico. Europe/Africa/CIS operating income was up 12%, primarily due to increased completions activity in Angola and the United Kingdom, which was partially offset by a decline in Boots & Coots activity in the Congo. Middle East/Asia operating income improved 72% due to higher activity across most product lines in Australia and Saudi Arabia and increased completions activity in southeast Asia.

Drilling and Evaluation revenue was up 11% compared to the first quarter of 2012 on the strength of international drilling activity. North America revenue decreased 3%, as drilling and wireline activity declines in the United States land market were partially offset by a recovery of drilling activities in the Gulf of Mexico. Latin America revenue improved 24% as a result of heightened drilling activities throughout most of the region, particularly Mexico and Brazil. Europe/Africa/CIS revenue increased 18% due to higher drilling activities in Norway and Azerbaijan, which were partially offset by reduced activity in Algeria. Middle East/Asia revenue improved 19% due to higher activity levels in Saudi Arabia and Indonesia and increased direct sales in China. Revenue outside North America was 67% of total segment revenue in the first quarter of 2013 and 62% of total segment revenue in the first quarter of 2012.

Drilling and Evaluation operating income increased 11% compared to the first quarter of 2012, as strong growth in our international regions more than offset reductions in the North America. North America operating income decreased 9%, as lower demand for drilling and wireline service in the United States land market was partially offset by the recovery of deepwater activities in the Gulf of Mexico. Latin America operating income was up 21%, driven by market share growth and cost reductions for Baroid in Brazil and increased demand for drilling services in Mexico, which were partially offset by higher costs for offshore activities in Brazil. Europe/Africa/CIS region operating income increased 43%, as demand improved for drilling services in Azerbaijan and Russia and higher Baroid sales in Norway and Angola. These increases were partially offset by lower drilling activities in Tanzania. Middle East/Asia operating income improved 35% as a result of higher demand for drilling services in Australasia, Indonesia, the Middle East, and China and higher wireline sales and services in China and Malaysia.

Corporate and other expenses were $1.1 billion in the first quarter of 2013 compared to $381 million in the first quarter of 2012. The significant increase was due to a $1.0 billion, pre-tax, Macondo-related loss contingency that was recorded in the first quarter of 2013, compared to a $300 million, pre-tax, Macondo-related loss contingency recorded in the first quarter of 2012.

NONOPERATING ITEMS

Effective tax rate. The effective tax rate on continuing operations in the first quarter of 2013 was positively impacted by federal tax benefits of approximately $50 million due to the reinstatement of certain tax benefits and credits related to the enactment during the quarter of the American Taxpayer Relief Act of 2012. However, our effective tax rate experienced an unusual alteration when we recorded a $1.0 billion, pre-tax, loss contingency related to the Macondo well incident in the first quarter of 2013 which shifted us into a loss from continuing operations for the period. Additionally, our effective tax rate was impacted by lower tax rates in certain foreign jurisdictions, as we continue to reposition our technology, supply chain, and manufacturing infrastructure to more effectively serve our customers' international operations.

RESULTS OF OPERATIONS FOR ANNUAL PERIODS 2012, 2011, AND 2010

The financial data for our total operating segments, corporate and other operations presented in the tables below for the annual periods ended December 31, 2012, 2011, and 2010 are audited and should be read in conjunction with our audited consolidated financial statements and the related notes in the Annual Report for 2012, which is included in Section 1 of Part III of this Prospectus.

Results of Operations: 2012 Compared to 2011

(Table below contains audited data)

REVENUE:			Favorable	Percentage
Millions of dollars	2012	2011	(Unfavorable)	Change
Completion and Production	$ 17,380	$ 15,143	$ 2,237	15%
Drilling and Evaluation	11,123	9,686	1,437	15
Total operating income	$ 28,503	$ 24,829	$ 3,674	15%

OPERATING INCOME:			Favorable	Percentage
Millions of dollars	2012	2011	(Unfavorable)	Change
Completion and Production	$ 3,144	$ 3,733	$ (589)	(16)%
Drilling and Evaluation	1,675	1,403	272	19
Corporate and other	(660)	(399)	(261)	65
Total operating income	$ 4,159	$ 4,737	$ (578)	(12)%

The 15% increase in consolidated revenue in 2012 compared to 2011 was primarily due to higher activity in Latin America, Middle East/Asia, and North America. On a consolidated basis, all product service lines experienced revenue growth from 2011. Revenue outside of North America was 44% of consolidated revenue in 2012 and 42% of consolidated revenue in 2011.

The 12% decrease in consolidated operating income compared to 2011 was mainly due to higher costs, particularly of guar gum, and pricing pressure for production enhancement services in North America. Operating income in 2012 was negatively impacted by a $300 million, pre-tax, loss contingency related to the Macondo well incident reflected in Corporate and other expenses. Additionally, our results were impacted by a $48 million, pre-tax, charge related to an earn-out adjustment due to significantly better than expected performance of a past acquisition in the Latin America and North America regions as well as a $20 million, pre-tax, gain related to the settlement of a patent infringement lawsuit that was recorded in Corporate and other expense. Operating income in 2011 was adversely impacted by a $25 million, pre-tax, impairment charge on an asset held for sale in the Europe/Africa/CIS region, $11 million, pre-tax, of employee separation costs in the Eastern Hemisphere, and a $59 million, pre-tax, charge in Libya, to reserve for certain doubtful accounts receivable and inventory. During 2012, we received $42 million related to the Libya reserve that was established in 2011 for receivables.

Following is a discussion of our results of operations by reportable segment.

Completion and Production increase in revenue compared to 2011 was primarily a result of strong international growth. North America revenue rose 11%, primarily due to increased cementing services and completions tools sales, as well as higher activity in production enhancement from an increased demand for hydraulic fracturing in the United States. Latin America revenue increased 27% due to improved activity in most product service lines in Mexico, Brazil, and Venezuela. Europe/Africa/CIS revenue increased 20%, driven by strong demand for completion tools across the region and increased cementing services in Mozambique and Nigeria. Middle East/Asia revenue grew 24% due to higher activity in all product service lines in Australia, Malaysia, and Indonesia, partially offset by lower completion tools sales in China and decreased activity in Singapore. Revenue outside of North America was 30% of total segment revenue in 2012 and 28% of total segment revenue in 2011.

The Completion and Production segment operating income decrease compared to 2011 was primarily due to the North America region, where operating income fell $1.1 billion as a result of pricing pressure in the production enhancement product service line and rising costs, particularly related to guar gum. Latin America operating income increased 30% due to higher demand for completion tools in Mexico and Brazil, partially offset by higher costs and pricing adjustments in Argentina and Colombia. Europe/Africa/CIS operating income grew $299 million compared to 2011 due to the recovery from activity disruptions in North Africa, including collections in 2012 of $29 million from the original $36 million Libya-related reserve recognized in 2011 for certain accounts receivable and inventory. Middle East/Asia operating income increased 79% due to cost controls in Iraq, higher activity levels in Oman, and increased demand for production enhancement and cementing services in Australia.

Drilling and Evaluation revenue increased 15% compared to 2011 as drilling activity improved across all regions, especially Middle East/Asia and Latin America. North America revenue grew 10% due to increased demand for drilling fluids. Latin America revenue increased 22% due to higher demand in most product services lines in Brazil, Mexico, Venezuela, and Colombia. Europe/Africa/CIS revenue increased 9% due to improved drilling service in Tanzania, Nigeria, and the United Kingdom, partially offset by service disruptions in Algeria. Middle East/Asia revenue rose 23% primarily due to the ongoing work in Iraq and Saudi Arabia, increased activity in Malaysia, and higher wireline direct sales. Revenue outside North America was 65% of total segment revenue in 2012 and 64% of total segment revenue in 2011.

Segment operating income compared to 2011 increased 19%, primarily due to increased activity in Middle East/Asia and Latin America. North America operating income increased 6% from increased demand for

drilling fluids and wireline and perforating, which offset higher consulting and project management costs. Latin America operating income grew 29% as a result of activity increases in Mexico, Venezuela, and Brazil. The Europe/Africa/CIS region operating income grew 29% due to greater activity in Nigeria and the recovery in Libya where $13 million of the original $23 million reserve from 2011 mentioned above was collected in 2012, which more than offset higher costs in Norway. Middle East/Asia operating income increased 34% mainly due to increased activity in Malaysia and Saudi Arabia.

Corporate and other expenses were $660 million in 2012 compared to $399 million in 2011. The 65% increase was primarily due to a $300 million, pre-tax, loss contingency recorded in 2012 related to the Macondo well incident as well as additional expenses in 2012 associated with strategic investments in our operating model and creating competitive advantages by repositioning our technology, supply chain, and manufacturing infrastructure. These items were partially offset by, among other things, a $20 million, pre-tax, gain recorded in 2012 related to the settlement of a patent infringement lawsuit.

NONOPERATING ITEMS

Following is a discussion of the nonoperating line items from our Consolidated Statements of Operations in paragraph 4 of this Prospectus.

Interest expense, net of interest income increased $35 million in 2012 compared to 2011 primarily due to higher interest costs incurred resulting from our issuance of $1.0 billion of senior notes in the fourth quarter of 2011.

Other, net increased $14 million from 2011 due primarily to foreign currency fluctuations.

Income (loss) from discontinued operations, net increased $224 million in 2012 compared to 2011, primarily due to a $163 million charge, after-tax, recognized in 2011 for an arbitration award against our former subsidiary, KBR, relating to the Barracuda-Caratinga project, a project for which we had provided a guarantee of KBR's obligations. In 2012, we recorded an $80 million tax benefit in discontinued operations related to a $219 million payment we made to BCLC under that guarantee.

Results of Operations: 2011 Compared to 2010

(Table below contains audited data)

REVENUE:			Favorable	Percentage
Millions of dollars	2011	2010	(Unfavorable)	Change
Completion and Production	$ 15,143	$ 9,997	$ 5,146	51%
Drilling and Evaluation	9,686	7,976	1,710	21
Total revenue	$ 24,829	$ 17,973	$ 6,856	38%

OPERATING INCOME:			Favorable	Percentage
Millions of dollars	2011	2010	(Unfavorable)	Change
Completion and Production	$ 3,733	$ 2,032	$ 1,701	84%
Drilling and Evaluation	1,403	1,213	190	16
Corporate and other	(399)	(236)	(163)	69
Total operating income	$ 4,737	$ 3,009	$ 1,728	57%

The 38% increase in consolidated revenue in 2011 compared to 2010 was primarily due to higher rig count and increased demand for our services and products in North America. We experienced a 63% increase in North America revenue compared to an approximate 21% increase in average North America rig count during 2011 compared to 2010. Revenue outside of North America was 42% of consolidated revenue in 2011 and 51% of consolidated revenue in 2010.

The 57% increase in consolidated operating income compared to 2010 was mainly due to improved pricing and increased demand in North America, particularly in our Completion and Production division. Operating income in 2011 was adversely impacted by a $25 million, pre-tax, impairment charge on an asset held for sale in the Europe/Africa/CIS region, $11 million, pre-tax, of employee separation costs in the Eastern Hemisphere, and a $59 million, pre-tax, charge in Libya, to reserve for certain doubtful accounts receivable

and inventory. Operating income in 2010 was adversely impacted by a $50 million non-cash impairment charge for an oil and natural gas property in Bangladesh.

Following is a discussion of our results of operations by reportable segment.

Completion and Production increase in revenue compared to 2010 was primarily a result of higher activity in North America. North America revenue rose 76%, primarily due to increased cementing services and higher activity in production enhancement from an increased demand for hydraulic fracturing in the United States. Latin America revenue increased 33% due to improved activity in all product service lines across the region. Europe/Africa/CIS revenue decreased 3%, as less activity in North Africa and lower vessel utilization in the North Sea and Nigeria was partially offset by higher activity in our Boots & Coots product service line in Angola and Norway. Middle East/Asia revenue grew 17% due to higher activity in all product service lines in Australia, Malaysia, and Indonesia, partially offset by lower completion tools sales in China. Revenue outside of North America was 28% of total segment revenue in 2011 and 38% of total segment revenue in 2010.

The Completion and Production segment operating income increase compared to 2010 was primarily due to the North America region, where operating income grew $1.9 billion on higher demand for production enhancement services in unconventional basins located in the United States land market. Latin America operating income increased 38% due to higher demand for cementing services in Colombia, Brazil, and Argentina, partially offset by higher costs and pricing adjustments in Mexico. Europe/Africa/CIS operating income declined 84% due to an impairment charge on an asset held for sale and activity disruptions in North Africa, including the Libya-related reserve for certain account receivables and inventory. Middle East/Asia operating income decreased 4% due to higher costs across most of the region and higher start-up costs associated with the commencement of work in Iraq, which were partially offset by higher activity levels in Australia, Malaysia, and Indonesia.

Drilling and Evaluation revenue increased 21% compared to 2010 as drilling activity improved across all regions, especially North America and Latin America. North America revenue grew 33% on substantial activity increases in the United States land market. Latin America revenue increased 34% due to higher demand in most product services lines in Brazil, Mexico, Venezuela, and Colombia. Europe/Africa/CIS revenue increased 4% due to improved drilling service in Angola, Nigeria, and Norway and increased fluid demand in Egypt, partially offset by lower activity in Libya. Middle East/Asia revenue rose 15% primarily due to the commencement of work in Iraq, increased fluid demand in Southeast Asia, and higher wireline direct sales. Revenue outside North America was 64% of total segment revenue in 2011 and 67% of total segment revenue in 2010.

Segment operating income compared to 2010 increased 16% due to increased activity in North America and Latin America, partially offset by lower activity associated with the disruptions in North Africa and less favorable pricing in the Eastern Hemisphere. North America operating income increased 42% from improved pricing and increased demand for most of our services and products. Latin America operating income grew 74% as a result of activity increases in Mexico, Venezuela, and Brazil. The Europe/Africa/CIS region operating income fell 33% due to costs associated with activity disruptions in North Africa, including the reserve charge for certain account receivables and inventory, partially offset by improved drilling service in Norway and Nigeria and higher fluid demand in Angola. Middle East/Asia operating income decreased 12% mainly due to start-up costs associated with the commencement of work in Iraq and higher costs in Saudi Arabia. Operating income in 2010 was adversely impacted by a $50 million non-cash impairment charge for an oil and natural gas property in Bangladesh.

Corporate and other expenses were $399 million, including a $37 million environmental-related matter in 2011, compared to $236 million in 2010. The 69% increase was primarily due to higher legal and environmental costs and additional expenses associated with strategic investments in our operating model and creating competitive advantages by repositioning our technology, supply chain, and manufacturing infrastructure.

NONOPERATING ITEMS

Following is a discussion of the nonoperating line items from our Consolidated Statements of Operations in paragraph 4 of this Prospectus.

Interest expense, net of interest income decreased $34 million in 2011 compared to 2010 primarily due to less interest expense as a result of the retirement of $750 million principal amount of our 5.5% senior notes in October 2010 and lower interest rates on a portion of our debt as a result of our interest rate swaps. This

was partially offset by higher interest costs incurred in the fourth quarter of 2011 resulting from our issuance of $1.0 billion of senior notes.

Other, net decreased $32 million from 2010 due to a $31 million loss on foreign currency exchange recognized in 2010 as a result of the devaluation of the Venezuelan Bolívar Fuerte.

Income (loss) from discontinued operations, net decreased $206 million in 2011 compared to 2010 primarily due to a $163 million charge, after-tax, recognized in 2011 related to a ruling in an arbitration proceeding between BCLC and our former subsidiary, KBR, whom we agreed to indemnify.

OFF BALANCE SHEET RISK

At December 31, 2012, we had no material off balance sheet arrangements, except for operating leases. For information on our contractual obligations related to operating leases, see paragraph 10 of this Prospectus.

NEW ACCOUNTING PRONOUNCEMENTS

In February 2013, the Financial Accounting Standards Board issued an update to existing guidance on the presentation of comprehensive income. This update requires companies to report the effect of significant reclassifications out of accumulated other comprehensive income ("AOCI") by component. For significant items reclassified out of AOCI to net income in their entirety during the reporting period, companies must report the effect on the line items in the statement where net income is presented. For significant items not reclassified to net income in their entirety during the period, companies must provide cross-references in the notes to other disclosures that already provide information about those amounts. We adopted this update effective January 1, 2013 and it did not have a material impact on our condensed consolidated financial statements.

In July 2012, the Financial Accounting Standards Board ("FASB") issued an update to existing guidance on the impairment assessment of indefinite-lived intangibles. This update simplifies the impairment assessment of indefinite-lived intangibles by allowing companies to consider qualitative factors to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount before performing the two step impairment review process. We have elected to early adopt this update to be effective for the interim reporting period beginning July 1, 2012. The adoption of this update did not have a material impact on our consolidated financial statements.

On January 1, 2012, we adopted an update issued by the FASB to existing guidance on the presentation of comprehensive income. This update requires the presentation of the components of net income and other comprehensive income either in a single continuous statement or in two separate but consecutive statements. The requirement to present reclassification adjustments for items that are reclassified from other comprehensive income to net income on the face of the financial statement has been deferred by the FASB. Net income and other comprehensive income has been presented in two separate but consecutive statements for the current reporting period and prior comparative period in our consolidated financial statements.

10. CAPITAL RESOURCES

We ended the first quarter of 2013 with cash and equivalents of $2.0 billion, compared to $2.5 billion at December 31, 2012, and $2.7 billion at December 31, 2011. As of March 31, 2013, approximately $455 million of the $2.0 billion of cash and equivalents was held by our foreign subsidiaries that would be subject to tax if repatriated. If these funds are needed for our operations in the United States, we would be required to accrue and pay United States taxes to repatriate these funds. However, our intent is to permanently reinvest these funds outside of the United States and our current plans do not demonstrate a need to repatriate them to fund our United States operations. At March 31, 2013, we also held $418 million of investments in fixed income securities (both short- and long-term) compared to $398 million at December 31, 2012, and $150 million (short-term) at December 31, 2011. These securities are reflected in "Other current assets" and "Other assets" in our condensed consolidated balance sheets.

Significant sources of cash

For the year ended December 31, 2012:

Cash flows provided by operating activities were $3.7 billion in 2012.

We sold approximately $395 million of property, plant, and equipment during 2012.

For the quarter ended March 31, 2013:

Cash flows from operating activities were $349 million in the first quarter of 2013.

Significant uses of cash

For the year ended December 31, 2012:

Capital expenditures were $3.6 billion in 2012. The capital expenditures in 2012 were predominantly made in our production enhancement, drilling, cementing, and wireline and perforating product service lines. We have also invested additional working capital to support the growth of our business.

During 2012, our primary components of net working capital (receivables, inventories and accounts payable) increased by $1.1 billion, primarily due to increased business activity and delays in receiving payment on trade receivables from one of our primary customers in Venezuela. See “Other factors affecting liquidity - Customer receivables” below.

We paid $333 million of dividends to our shareholders in 2012.

During 2012, we purchased $248 million of investment securities, net of investment securities sold.

For the quarter ended March 31, 2013:

Capital expenditures were $685 million in the first quarter of 2013, and were predominantly made in our Production Enhancement, Boots and Coots, Wireline and Perforating, and Sperry Drilling product service lines. We have also invested additional working capital to support the growth of our business.

During the first quarter of 2013, our primary components of net working capital (receivables, inventories, and accounts payable) increased by $318 million, primarily due to increased business activity.

In January 2013, we made a $219 million payment under a guarantee we issued for the Barracuda-Caratinga project. See paragraph 20.7.2 of this Prospectus.

We paid $116 million in dividends to our shareholders in the first quarter of 2013.

We also repurchased 1.2 million shares of our Common Stock during the quarter under our share repurchase program at a cost of approximately $50 million and at an average price of $40.70 per share.

Future uses of cash. Capital spending for 2013 is currently expected to be approximately $3.0 billion. The capital expenditures plan for 2013 is primarily directed toward our Production Enhancement, Sperry Drilling, Cementing, Boots and Coots, and Wireline and Perforating product service lines with less capital to be directed toward the North America pressure pumping market.

We have been participating in settlement discussions with some of the parties involved in the Macondo Multi-District Litigation. These discussions are at an advanced stage and our most recent offer includes cash components payable over an extended period of time, of which approximately $278 million would be payable over the next year. See Paragraph 20.7.1 of this Prospectus for further discussion of our Macondo reserve.

Subject to Board of Directors approval, we expect to pay dividends representing approximately 15% to 20% of our net income on an annual basis. Currently, our dividend rate is $0.125 per common share, or approximately $116 million per quarter. We also have approximately $1.7 billion remaining available under our share repurchase authorization program. We anticipate making additional purchases of our Common Stock under this program during the second quarter.

In April 2013, we made a $172 million earn-out payment related to a prior year acquisition due to significantly better than expected operating performance.

We are continuing to explore opportunities for acquisitions that will enhance or augment our current portfolio of services and products, including those with unique technologies or distribution networks in areas where we do not already have large operations.

The following table summarizes our significant contractual obligations and other long-term liabilities as of December 31, 2012:

	Payments Due						
Millions of dollars	2013	2014	2015	2016	2017	Thereafter	Total
Long-term debt	$ –	$ –	$ –	$ –	$ –	$ 4,820	$ 4,820
Interest on debt (a)	275	276	281	284	288	5,432	6,836
Operating leases	287	214	146	102	48	164	961
Purchase obligations (b)	2,374	389	281	177	152	42	3,415
Pension funding obligations (c)	27	–	–	–	–	–	27
Other long-term liabilities	14	4	3	3	3	7	34
Total	$2,977	$883	$ 711	$566	$491	$10,465	$16,093

(a) Interest on debt includes 84 years of interest on $300 million of debentures at 7.6% interest that become due in 2096.

(b) Primarily represents certain purchase orders for goods and services utilized in the ordinary course of our business.

(c) Includes international plans and is based on assumptions that are subject to change. We are currently not able to reasonably estimate our contributions for years after 2013. See Note 14 to the consolidated financial statements contained in our Annual Report on Form 10-K included in Part III of this Prospectus for further information regarding pension contributions.

We had $296 million of gross unrecognized tax benefits at December 31, 2012, of which we estimate $124 million may require a cash payment. We estimate that $99 million of the cash payment will not be settled within the next 12 months. We are not able to reasonably estimate in which future periods this amount will ultimately be settled and paid.

Other factors affecting liquidity

Financial position in current market. As of March 31, 2013, we had $2.0 billion of cash and equivalents, $418 million in fixed income investments, and a total of $2.0 billion of available committed bank credit under our revolving credit facility. Reflecting the growth of our company, in April 2013, we executed an amendment to our revolving credit facility, which increased the capacity from $2.0 billion to $3.0 billion and extended the maturity to 2018. Furthermore, we have no financial covenants or material adverse change provisions in our bank agreements, and our debt maturities extend over a long period of time. Although a portion of earnings from our foreign subsidiaries is reinvested outside the United States indefinitely, we do not consider this to have a significant impact on our liquidity position. We currently believe that any capital expenditures, working capital investments, and dividends, if any, in 2013 can be fully funded through cash from operations.

As a result, we believe we have a reasonable amount of liquidity and, if necessary, additional financing flexibility given the current market environment to fund our potential contingent liabilities, if any. However, as discussed in “Legal and arbitration proceedings” in paragraph 20.7 of this Prospectus, there are numerous future developments that may arise as a result of the Macondo well incident that could have a material adverse effect on our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. Any such liability assessment shall be updated as required by and in accordance with the Prospectus Rules.

Guarantee agreements. In the normal course of business, we have agreements with financial institutions under which approximately $1.8 billion of letters of credit, bank guarantees, or surety bonds were outstanding as of March 31, 2013, including $191 million of surety bonds related to Venezuela. Some of the outstanding letters of credit have triggering events that would entitle a bank to require cash collateralization.

Credit ratings. Credit ratings for our long-term debt remain A2 with Moody’s Investors Service and A with Standard & Poor’s. The credit ratings on our short-term debt remain P-1 with Moody’s Investors Service and A-1 with Standard & Poor’s. The credit ratings included or referred to in this Prospectus will be treated for the purposes of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the “CRA Regulation”) as having been issued by Standard &

Poor's Credit Market Services Europe Limited ("Standard & Poor's") and Moody's Investors Service Limited ("Moody's", and together with Standard and Poor's, the "Rating Agencies"). Each of Standard & Poor's and Moody's is a credit rating agency established and operating in the European Community and is registered under the CRA Regulation.

Customer receivables. In line with industry practice, we bill our customers for our services in arrears and are, therefore, subject to our customers delaying or failing to pay our invoices. In weak economic environments, we may experience increased delays and failures to pay our invoices due to, among other reasons, a reduction in our customers' cash flow from operations and their access to the credit markets. For example, we continue to see delays in receiving payment on our receivables from one of our primary customers in Venezuela. Our total outstanding trade receivables in Venezuela at March 31, 2013 were $383 million, which represents approximately 6% of our gross trade receivables at that date. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have a material adverse effect on our liquidity position such that it may reduce available cash and equivalents and require us to draw on our revolving credit facility. It could also have a material adverse effect on our consolidated results of operations and consolidated financial condition. See "Business Environment – International Operations – Venezuela" in paragraph 12 of this Prospectus for further discussion related to Venezuela.

11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

Research and development costs. We maintain an active research and development program. The program improves products, processes, and engineering standards and practices that serve the changing needs of our customers, such as those related to high pressure and high temperature environments, and also develops new products and processes. Our expenditures for research and development activities were $460 million in 2012, $401 million in 2011, and $366 million in 2010. These expenditures were over 95% company-sponsored in each year.

Patents. We own a large number of patents and have pending a substantial number of patent applications covering various products and processes. We are also licensed to utilize patents owned by others. We do not consider any particular patent to be material to our business operations.

12. TREND INFORMATION

The following trends, uncertainties, demands, commitments or events are reasonably likely to have a material effect on the prospects of Halliburton as at the date of this Prospectus.

BUSINESS ENVIRONMENT

We operate in approximately 80 countries to provide a comprehensive range of discrete and integrated services and products to the energy industry. The majority of our consolidated revenue is derived from the sale of services and products to major, national, and independent oil and natural gas companies worldwide. We serve the upstream oil and natural gas industry throughout the lifecycle of the reservoir, from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production throughout the life of the field. Our two business segments are the Completion and Production segment and the Drilling and Evaluation segment. The industry we serve is highly competitive with many substantial competitors in each segment. In 2012, 2011, and 2010, based on the location of services provided and products sold, 53%, 55%, and 46% of our consolidated revenue was from the United States. In the first quarter of 2013, based upon the location of services provided and products sold, 49% of our consolidated revenue was from the United States. In the first quarter of 2012, 56% of our consolidated revenue was from the United States. No other country accounted for more than 10% of our revenue during these periods.

Operations in some countries may be adversely affected by unsettled political conditions, acts of terrorism, civil unrest, force majeure, war or other armed conflict, expropriation or other governmental actions, inflation, foreign currency exchange restrictions, and highly inflationary currencies. We believe the geographic diversification of our business activities reduces the risk that loss of operations in any one country, other than the United States, would be materially adverse to our consolidated results of operations.

Activity levels within our business segments are significantly impacted by spending on upstream exploration, development, and production programs by major, national, and independent oil and natural gas companies. Also impacting our activity is the status of the global economy, which impacts oil and natural gas consumption.

Some of the more significant measures of current and future spending levels of oil and natural gas companies are oil and natural gas prices, the world economy, the availability of credit, government regulation, and global stability, which together drive worldwide drilling activity. Our financial performance is significantly affected by oil and natural gas prices and worldwide rig activity, which are summarized in the following tables. Additionally, our financial performance is impacted by well count in the North America market as a result of improved drilling and completion efficiencies.

This table shows the average oil and natural gas prices for West Texas Intermediate (WTI), United Kingdom Brent crude oil, and Henry Hub natural gas:

	Three Months Ended March 31		Year Ended December 31
Average Oil Prices (dollars per barrel)	2013	2012	2012
West Texas Intermediate	$ 94.34	$ 102.88	$ 94.15
United Kingdom Brent	112.49	118.49	111.60
Average United States Natural Gas Prices (dollars per thousand cubic feet, or Mcf)			
Henry Hub	$ 3.49	$ 2.62	$ 2.81

The quarterly and yearly average rig counts based on the weekly Baker Hughes Incorporated rig count information were as follows:

	Three Months Ended March 31		Year Ended December 31
Land vs. Offshore	2013	2012	2012
United States:			
Land	1,706	1,948	1,872
Offshore (incl. Gulf of Mexico)	52	42	47
Total	1,758	1,990	1,919
Canada:			
Land	535	591	363
Offshore	1	—	1
Total	536	591	364
International (excluding Canada):			
Land	959	879	931
Offshore	315	310	303
Total	1,274	1,189	1,234
Worldwide total	3,568	3,770	3,517
Land total	3,200	3,418	3,166
Offshore total	368	352	351

	Three Months Ended March 31		Year Ended December 31
Oil vs. Natural Gas	2013	2012	2012
United States (incl. Gulf of Mexico):			
Oil	1,332	1,262	1,359
Natural gas	426	728	560
Total	1,758	1,990	1,919
Canada:			
Oil	398	423	261
Natural gas	138	168	103
Total	536	591	364
International (excluding Canada):			
Oil	1,021	942	984
Natural gas	253	247	250
Total	1,274	1,189	1,234
Worldwide total	3,568	3,770	3,517
Oil total	2,751	2,627	2,604
Natural gas total	817	1,143	913

	Three Months Ended March 31		Year Ended December 31
Drilling Type	2013	2012	2012
United States (incl. Gulf of Mexico):			
Horizontal	1,127	1,172	1,151
Vertical	441	601	552
Directional	190	217	216
Total	1,758	1,990	1,919

Our customers' cash flows, in most instances, depend upon the revenue they generate from the sale of oil and natural gas. Lower oil and natural gas prices usually translate into lower exploration and production budgets, while the opposite is true for higher oil and natural gas prices.

WTI oil spot prices fluctuated throughout 2012 between a low of approximately $78 per barrel to a high of approximately $109 per barrel. Brent oil spot prices fluctuated between a low of approximately $89 per barrel to a high of approximately $128 per barrel during this same period. During the first quarter of 2013, WTI and Brent oil spot prices averaged approximately $94 and $112 per barrel, a slight decrease from prices experienced in the first quarter of 2012. Prices have remained somewhat volatile as geopolitical tension in the Middle East, global economic uncertainty surrounding the upheaval in European banks, and slower growth expectations in Asia have impacted demand. The outlook for world petroleum demand for the remainder of 2013 appears mixed, with the International Energy Agency's April 2013 "Oil Market Report" continuing to forecast 2013 demand to increase approximately 0.9% over 2012 levels.

Natural gas prices in the United States have increased approximately 33% from the first quarter of 2012 due to an increase in storage withdrawals as a result of colder temperatures in conjunction with a 32% decline in natural gas inventories from the same period in 2012. The United States Energy Information Administration's April 2013 "Short Term Energy Outlook" forecasts a decline in natural gas used for electricity generation, and we foresee significant natural gas price constraints in the near-term as natural gas competes as a fuel source in the power generation market.

In spite of this tempered outlook, we believe that, over the long term, hydrocarbon demand will generally increase. Increased demand, combined with the underlying trends of smaller and more complex reservoirs, high depletion rates, and the need for continual reserve replacement, should drive the long-term need for our services and products.

North America operations

Volatility in oil and natural gas prices can impact our customers' drilling and production activities, particularly in North America. For the first quarter of 2013, the average natural gas directed rig count fell by 332 rigs, or 37%, from the first quarter of 2012. The curtailment of natural gas activity along with the influx of stimulation equipment into the industry have resulted in overcapacity and pricing pressure for hydraulic fracturing services, which we expect to persist throughout 2013. Activity levels in Canada have also yet to return fully to levels seen during the same period in prior years. In the long run, we believe the shift to unconventional oil, liquids-rich, and natural gas basins in North America will continue to drive increased service intensity and will require higher demand in fluid chemistry and other technologies required for these complex reservoirs which will benefit our operations.

In the Gulf of Mexico, deepwater drilling activity has returned to levels experienced before the Macondo incident. Improvement in the performance of many of our product service lines in this region is due to the 17% increase in the offshore rig count from the first quarter of 2012, in addition to the efficiencies and integrated solutions we offer that save our customers time and enhance productivity. Over the long term, the continued growth in the Gulf of Mexico is dependent on, among other things, governmental approvals for permits, our customers' actions, and new deepwater rigs entering the market.

International operations

The industry experienced steady volume increases during 2012, with average international rig count improving by 6% over 2011. These volume increases have led to meaningful absorption of equipment supply and we are now seeing opportunities for price improvements in select geographies. We anticipate that activity increases will remain steady as we believe that operator spending outlook will be impacted by ongoing macroeconomic concerns. We also believe that international unconventional oil and natural gas and deepwater projects will contribute to activity improvements over the long term, and we plan to leverage our extensive experience in North America to optimize these opportunities. During the first quarter of 2013, revenue outside North America increased 21% and operating income outside of North America increased 22% from the first quarter of 2012, as a result of our growth in unconventional activity overseas. Consistent with our long-term strategy to grow our operations outside of North America, we also expect to continue to invest in capital equipment for our international operations.

Venezuela. As of March 31, 2013, our total net investment in Venezuela was approximately $333 million, including net monetary assets of $100 million denominated in Bolívar Fuerte. Our total outstanding trade receivables in Venezuela were $383 million, or approximately 6% of our gross trade receivables, as of March 31, 2013, compared to $491 million, or approximately 9% of our gross trade receivables, as of December 31, 2012. We continue to see delays in receiving payment on our receivables from our primary customer in Venezuela. In addition, at March 31, 2013 we had $191 million of surety bond guarantees outstanding relating to our Venezuelan operations.

In February 2013, the Venezuelan government announced a devaluation of the Bolívar Fuerte, from the preexisting exchange rate of 4.3 Bolívar Fuertes per United States dollar to 6.3 Bolívar Fuertes per United States dollar, resulting in us incurring a foreign currency loss. However, the net foreign currency impact of Bolívar Fuertes activity in the first quarter of 2013 was not material, though further devaluation of the Bolívar Fuerte could impact our operations.

Initiatives

We executed several key initiatives in 2012. These initiatives included increasing manufacturing production in the Eastern Hemisphere and reinventing our service delivery platform to lower our delivery costs. We plan to continue to invest in these initiatives in 2013. Following is a brief discussion of some of our recent and current initiatives:

- focusing on unconventional plays, mature fields, and deepwater markets by leveraging our broad technology offerings to provide value to our customers through integrated solutions and the ability to more efficiently drill and complete their wells;
- exploring opportunities for acquisitions that will enhance or augment our current portfolio of services and products, including those with unique technologies or distribution networks in areas where we do not already have large operations;
- making key investments in technology and capital to accelerate growth opportunities. To that end, we are continuing to push our technology and manufacturing development, as well as our supply chain, closer to our customers in the Eastern Hemisphere;
- improving working capital, and managing our balance sheet to maximize our financial flexibility. We are deploying a global project to improve service delivery that we expect to result in, among other things, additional investments in our systems and significant improvements to our current order-to-cash and purchase-to-pay processes;
- growing our international revenues and margins through achieving a better geographical balance in our business going forward, as well as improving our North America margins;
- continuing to seek ways to be one of the most cost efficient service providers in the industry by maintaining capital discipline and using our scale and breadth of operations; and
- expanding our business with national oil companies.

13. PROFIT FORECASTS OR ESTIMATES

There are no profit forecasts or estimates contained in this document or any prospectus issued in accordance with the Prospectus Directive which has been previously published by Halliburton and which are still outstanding at the date of this document.

14. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

14.1 Members of the Board of Directors

The following persons are the Directors of Halliburton. Directors are elected annually by the shareholders of the Company to serve for the ensuing year until their successors shall be elected and shall qualify. Dr. S. Malcolm Gillis, who has served as a Director since 2005, retired from the Board immediately prior to the Company's Annual Meeting of Stockholders on May 15, 2013. Dr. Gillis was not a candidate for reelection to the Board. Mr. José C. Grubisich was elected to the Board on March 20, 2013. Mr. Grubisich was proposed for the first time for election to the Board of Directors by the stockholders at the Annual Meeting.

Alan M. Bennett, Retired President and Chief Executive Officer, H&R Block, Inc. (a tax and financial services provider); President and Chief Executive Officer, H&R Block, Inc. 2010-2011; Interim Chief Executive Officer, H&R Block, Inc. 2007-2008; Senior Vice President and Chief Financial Officer, Aetna, Inc., 2001-2007; joined Halliburton Company Board in 2006; Chairman of the Audit Committee and member of the Nominating and Corporate Governance Committee. Current Director of Fluor Corporation (since 2011) and TJX Companies, Inc. (since 2007). Former Director of H&R Block, Inc. (2008-2011) and Bausch & Lomb (2004-2008). The Board determined that Mr. Bennett should be nominated for election as a Director because of his financial expertise, ranging from internal audit to corporate controller to chief financial officer of a large, public company. He is a certified public accountant and also has chief executive officer experience.

James R. Boyd, Retired Chairman of the Board, Arch Coal, Inc. (one of the largest United States coal producers); Chairman of the Board, Arch Coal, Inc., 1998-2006; joined Halliburton Company Board in 2006; Chairman of the Compensation Committee and member of the Audit Committee. Former Director of Arch Coal, Inc. (1990-2013). The Board determined that Mr. Boyd should be nominated for election as a Director because of his experience as a chief executive officer, chairman and lead director of a large company and his career experience in corporate business development, operations, and strategic planning.

Milton Carroll, Chairman of the Board, CenterPoint Energy, Inc. (a public utility holding company) since 2002 and Chairman of Instrument Products, Inc. (a private oil-tool manufacturing company) since 1977; joined Halliburton Company Board in 2006; member of the Compensation and the Nominating and Corporate Governance Committees. Chairman (since 2002) and Director (since 1998) of Health Care Service Corporation. Current Director of Western Gas Holdings, LLC, the general partner of Western Gas Partners, L.P. (since 2008), LyondellBasell Industries (since 2010), and LRE GP, LLC, the general partner of LRR Energy, L.P. (since 2011). The Board determined that Mr. Carroll should be nominated for election as a Director because of his public company board experience as an independent Director and knowledge of the oil and natural gas services industry.

Nance K. Dicciani, Retired President and Chief Executive Officer, Honeywell International Specialty Materials (a diversified technology and manufacturing company); President and Chief Executive Officer, Honeywell International Specialty Materials, 2001-2008; joined the Halliburton Company Board in 2009; member of the Audit and the Health, Safety and Environment Committees. Current Director of Rockwood Holdings, Inc. (since 2008) and Praxair, Inc. (since 2008). The Board determined that Ms. Dicciani should be nominated for election as a Director because of her technical expertise in the chemical industry, international operations expertise, and her executive experience as a chief executive officer of a multi-billion dollar strategic business group of a major multinational corporation.

Murry S. Gerber, Retired Executive Chairman of the Board, EQT Corporation (a leading producer of unconventional natural gas); Executive Chairman of the Board, EQT Corporation, 2010-2011; Chairman and Chief Executive Officer, EQT Corporation, 2000-2010; Chief Executive Officer and President, EQT Corporation, 1998-2007; joined Halliburton Company Board in 2012; member of the Audit and the Compensation Committees. Current Director of BlackRock Inc. (since 2000) and United States Steel Corporation (since 2012). Former Director of EQT Corporation (2000-2012). The Board determined that Mr. Gerber should be nominated for election as a Director because of his executive leadership skills and his experience with the Marcellus shale and unconventional oil and natural gas basins.

José C. Grubisich, Chief Executive Officer of Eldorado Brasil Celulose (a leader in the world cellulose market) since 2012. Previously, Mr. Grubisich served as President and Chief Executive Officer of ETH Bioenergia S.A. (an integrated producer of ethanol and electricity from biomass) from 2008 to 2012. Joined Halliburton Company Board in 2013; member of the Audit and Health, Safety and Environment Committees. Mr. Grubisich is a director of Vallourec S.A. (since 2012). The Board determined that Mr. Grubisich should be nominated for election as a Director because of his significant international business experience in Latin America and his executive leadership experience.

Abdallah S. Jum'ah, Retired President and Chief Executive Officer, of Saudi Arabian Oil Company ("Saudi Aramco") (the world's largest producer of crude oil); President and Chief Executive Officer of Saudi Aramco, 1995-2008; joined the Halliburton Company Board in 2010; member of the Health, Safety and Environment and the Nominating and Corporate Governance Committees. Current Chairman of the Board of the Saudi Investment Bank (since February 2013, Director since 2010), Board member of Economic Cities Authority and Zamil Industries. Former Vice Chairman of the International Advisory Board at King Fahd University of Petroleum and Minerals (2007-2009). The Board determined that Mr. Jum'ah should be nominated for election as a Director because of his industry expertise, including significant international

business experience in the eastern hemisphere, and his executive experience as president and chief executive officer leading the world's largest producer of crude oil.

David J. Lesar, Chairman of the Board, President and Chief Executive Officer of the Company since 2000; joined Halliburton Company Board in 2000. Current Director of Agrium, Inc. (since 2010). The Board determined that Mr. Lesar should be nominated for election as a Director because of his industry expertise, financial expertise, and in-depth knowledge of Halliburton and its business.

Robert A. Malone, President and Chief Executive Officer, The First National Bank of Sonora, Texas (a community bank), since 2009. Executive Vice President of BP plc and Chairman of the Board and President, BP America Inc. (one of the nation's largest producers of oil and natural gas), 2006-2009; joined Halliburton Company Board in 2009; member of the Compensation and the Health, Safety and Environment Committees. Current Director of Peabody Energy Company (since 2009). The Board determined that Mr. Malone should be nominated for election as a Director because of his industry expertise and his executive leadership experience, including crisis management and safety performance.

J. Landis Martin, Founder and Managing Director, Platte River Ventures, L.L.C. (a private equity firm) since 2005; Chairman (1989-2005) and Chief Executive Officer (1995-2005), Titanium Metals Corporation; joined Halliburton Company Board in 1998; Lead Independent Director and member of the Health, Safety and Environment and the Nominating and Corporate Governance Committees. Current Lead Director of Apartment Investment and Management Company (Director since 1994), Chairman (since 2002) and Director (since 1995) of Crown Castle International Corporation, and Lead Director of Intrepid Potash, Inc. (since 2008). The Board determined that Mr. Martin should be nominated for election as a Director because of his industry expertise, his executive and board leadership experience, and knowledge of Halliburton's operations.

Debra L. Reed, Chief Executive Officer, Sempra Energy (an energy infrastructure and regulated holding company), since 2011; Executive Vice President, Sempra Energy (2010-2011); President and Chief Executive Officer, Southern California Gas Company and San Diego Gas & Electric Company (2006-2010); joined Halliburton Company Board in 2001; Chairman of the Nominating and Corporate Governance Committee and member of the Compensation Committee. Current Chairman of Sempra Energy (Director since 2011). Former Director of Avery Dennison Corporation (2009-2011) and of Genentech, Inc. (2005-2009). The Board determined that Ms. Reed should be nominated for election as a Director because of her executive, operational, financial and administrative expertise, and her experience as an independent director on public company boards.

14.2 Executive Officers

Halliburton's current executive officers, who serve at the discretion of the Board, are as follows:

Evelyn M. Angelle, Senior Vice President and Chief Accounting Officer of Halliburton Company since January 2011; Vice President, Corporate Controller, and Principal Accounting Officer of Halliburton Company, January 2008 to January 2011. She currently serves on the board of directors of Forum Energy Technologies, Inc.

James S. Brown, President, Western Hemisphere of Halliburton Company since January 2008.

Albert O. Cornelison, Jr., Executive Vice President and General Counsel of Halliburton Company since December 2002.

Christian A. Garcia, Senior Vice President and Treasurer of Halliburton Company since September 2011; Senior Vice President, Investor Relations of Halliburton Company, January 2011 to August 2011; Vice President, Investor Relations of Halliburton Company, December 2007 to December 2010.

Myrtle L. Jones, Senior Vice President of Tax of Halliburton Company since March 2013; Senior Managing Director of Tax and Internal Audit for Service Corporation International, February 2008 to March 2013.

David J. Lesar, Chairman of the Board, President, and Chief Executive Officer of Halliburton Company since August 2000.

Mark A. McCollum, Executive Vice President and Chief Financial Officer of Halliburton Company since January 2008. He currently serves on the board of directors of Exterran Holdings, Inc.

Jeffrey A. Miller, Executive Vice President and Chief Operating Officer of Halliburton Company since September 2012; Senior Vice President, Global Business Development and Marketing of Halliburton Company, January 2011 to August 2012; Senior Vice President, Gulf of Mexico Region of Halliburton Company, January 2010 to December 2010; Vice President, Baroid, May 2006 to December 2009. He currently serves on the board of directors of Atwood Oceanics, Inc.

Lawrence J. Pope, Executive Vice President of Administration and Chief Human Resources Officer of Halliburton Company since January 2008.

Timothy J. Probert, President, Strategy and Corporate Development of Halliburton Company since January 2011; President, Global Business Lines and Corporate Development of Halliburton Company, January 2010 to January 2011; President, Drilling and Evaluation Division and Corporate Development of Halliburton Company, March 2009 to December 2009; Executive Vice President, Strategy and Corporate Development, January 2008 to March 2009.

Joe D. Rainey, President, Eastern Hemisphere of Halliburton Company since January 2011; Senior Vice President, Eastern Hemisphere of Halliburton Company, January 2010 to December 2010; Vice President, Eurasia Pacific Region of Halliburton Company, January 2009 to December 2009; Vice President, Asia Pacific Region of Halliburton Company, February 2005 to December 2008.

14.3 Business address

The Halliburton business address of the above directors and executive officers is 3000 North Sam Houston Parkway East, Houston, Texas 77032, USA.

14.4 Other directorships and partnerships

Set out below is information relating to each Director and the executive officers listed in paragraph 14.2 above, relating to directorships which they have held and partnerships in which they have been a partner, in each case over the previous five years preceding the date of this Prospectus, and other than in Halliburton and its subsidiary companies.

Director/Executive Officer	Current directorships and partnerships	Directorships and partnerships of the last 5 years
Evelyn M. Angelle	Forum Energy Technologies, Inc.	-
Alan M. Bennett	Fluor Corporation TJX Companies, Inc.	Bausch & Lomb H&R Block, Inc.
James R. Boyd	-	Arch Coal, Inc.
James S. Brown	-	-
Milton Carroll	CenterPoint Energy, Inc. Health Care Service Corporation LRE GP, LLC LyondellBasell Industries Western Gas Holdings, LLC	-
Albert O. Cornelison, Jr.	-	-
Nance K. Dicciani	Praxair, Inc. Rockwood Holdings, Inc.	-
Murry S. Gerber	BlackRock, Inc. United States Steel Corporation	EQT Corporation
José C. Grubisich	Vallourec S.A.	-
Myrtle L. Jones	-	-

Director/Executive Officer	Current directorships and partnerships	Directorships and partnerships of the last 5 years
Abdallah S. Jum'ah	Saudi Investment Bank Economic Cities Authority Zamil Industries	Saudi Arabian Oil Company International Advisory Board King Fahd University of Petroleum and Minerals
David J. Lesar	Agrium, Inc.	-
Robert A. Malone	First National Bank of Sonora Peabody Energy Company	-
J. Landis Martin	Apartment Investment and Management Company Crown Castle International Corporation Intrepid Potash, Inc.	-
Mark A. McCollum	Exterran Holdings, Inc.	Exterran GP LLC
Jeffrey A. Miller	Atwood Oceanics, Inc.	-
Lawrence J. Pope	-	-
Timothy J. Probert	-	El Paso Corporation
Joe D. Rainey	-	-
Debra L. Reed	Sempra Energy	Avery Dennison Corporation Genentech, Inc.

14.5 Except as described below, no Director or any of the executive officers listed in paragraph 14.2 has:

(i) any convictions in relation to fraudulent offences for at least the previous five years;

(ii) been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company (or a senior manager of a company) at the time of any receivership, compulsory liquidation or creditors' voluntary liquidation for at least the previous five years or;

(iii) been the subject of any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies), nor has any such person been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the five years up to the date of this Prospectus.

In June 2002, a class action lawsuit was filed against us in federal court alleging violations of the federal securities laws after the Securities and Exchange Commission ("SEC") initiated an investigation in connection with our change in accounting for revenue on long-term construction projects and related disclosures. In the weeks that followed, approximately twenty similar class actions were filed against us. Several of those lawsuits also named as defendants several of our present or former officers and directors. The class action cases were later consolidated, and the amended consolidated class action complaint, styled Richard Moore, et al. v. Halliburton Company, et al., was filed and served upon us in April 2003. As a result of a substitution of lead plaintiffs, the case was styled Archdiocese of Milwaukee Supporting Fund (AMSF) v. Halliburton Company, et al. AMSF has changed its name to Erica P. John Fund, Inc. (the Fund). We settled with the SEC in the second quarter of 2004.

In June 2003, the lead plaintiffs filed a motion for leave to file a second amended consolidated complaint, which was granted by the court. In addition to restating the original accounting and disclosure claims, the

second amended consolidated complaint included claims arising out of our 1998 acquisition of Dresser Industries, Inc., including that we failed to timely disclose the resulting asbestos liability exposure.

In April 2005, the court appointed new co-lead counsel and named the Fund the new lead plaintiff, directing that it file a third consolidated amended complaint and that we file our motion to dismiss. The court held oral arguments on that motion in August 2005. In March 2006, the court entered an order in which it granted the motion to dismiss with respect to claims arising prior to June 1999 and granted the motion with respect to certain other claims while permitting the Fund to re-plead some of those claims to correct deficiencies in its earlier complaint. In April 2006, the Fund filed its fourth amended consolidated complaint. We filed a motion to dismiss those portions of the complaint that had been re-pled. A hearing was held on that motion in July 2006, and in March 2007 the court ordered dismissal of the claims against all individual defendants other than our Chief Executive Officer ("CEO"). The court ordered that the case proceed against our CEO and us.

In September 2007, the Fund filed a motion for class certification, and our response was filed in November 2007. The district court held a hearing in March 2008, and issued an order November 3, 2008 denying the motion for class certification. The Fund appealed the district court's order to the Fifth Circuit Court of Appeals. The Fifth Circuit affirmed the district court's order denying class certification. On May 13, 2010, the Fund filed a writ of certiorari in the United States Supreme Court. In January 2011, the Supreme Court granted the writ of certiorari and accepted the appeal. The Court heard oral arguments in April 2011 and issued its decision in June 2011, reversing the Fifth Circuit ruling that the Fund needed to prove loss causation in order to obtain class certification. The Court's ruling was limited to the Fifth Circuit's loss causation requirement, and the case was returned to the Fifth Circuit for further consideration of our other arguments for denying class certification. The Fifth Circuit returned the case to the district court, and in January 2012 the court issued an order certifying the class. We filed a Petition for Leave to Appeal with the Fifth Circuit, which was granted and the case is stayed at the district court pending this appeal. The Fifth Circuit is set to hear oral argument in the appeal in March 2013. In spite of its age, the case is at an early stage, and we cannot predict the outcome or consequences thereof. As of December 31, 2012, we had not accrued any amounts related to this matter because we do not believe that a loss is probable. Further, an estimate of possible loss or range of loss related to this matter cannot be made. We intend to vigorously defend this case.

Shareholder derivative cases

In May 2009, two shareholder derivative lawsuits involving us and KBR were filed in Harris County, Texas, naming as defendants various current and retired Halliburton directors and officers and current KBR directors. These cases allege that the individual Halliburton defendants violated their fiduciary duties of good faith and loyalty, to our detriment and the detriment of our shareholders, by failing to properly exercise oversight responsibilities and establish adequate internal controls. The District Court consolidated the two cases, and the plaintiffs filed a consolidated petition against only current and former Halliburton directors and officers containing various allegations of wrongdoing including violations of the United States Foreign Corrupt Practices Act ("FCPA"), claimed KBR offenses while acting as a government contractor in Iraq, claimed KBR offenses and fraud under United States government contracts, Halliburton activity in Iran, and illegal kickbacks. Subsequently, a shareholder made a demand that the Board take remedial action respecting the FCPA claims in the pending lawsuit. Our Board of Directors designated a special committee of certain independent and disinterested directors to oversee the investigation of the allegations made in the lawsuits and shareholder demand. Upon receipt of the special committee's findings and recommendations, the independent and disinterested members of the Board determined that the shareholder claims were without merit and not otherwise in our best interest to pursue. The Board directed our counsel to report its determinations to the plaintiffs and demanding shareholder.

In 2012, we agreed to settle the consolidated lawsuit, and the court approved the settlement and dismissed the case. Pursuant to the settlement, we paid the plaintiffs' legal fees which were not material to our consolidated financial statements, and we have implemented certain changes to our corporate governance policies.

In February 2011, the same shareholder who had made the demand on our Board of Directors in connection with one of the derivative lawsuits discussed above filed a shareholder derivative lawsuit in Harris County, Texas naming us as a nominal defendant and certain of our directors and officers as defendants. This case alleges that these defendants, among other things, breached fiduciary duties of good faith and loyalty by failing to properly exercise oversight responsibilities and establish adequate internal controls, including controls and procedures related to cement testing and the communication of test results, as they relate to the Macondo well incident. Our Board of Directors designated a special committee of certain independent and disinterested directors to oversee the investigation of the allegations

made in the lawsuit and shareholder demand. Upon receipt of the special committee's findings and recommendations, the independent and disinterested members of the Board determined that the shareholder claims were without merit and not otherwise in our best interest to pursue. The Board directed our counsel to report its determinations to the plaintiffs and demanding shareholder.

In 2012, we agreed to settle this lawsuit, and the court approved the settlement and dismissed the case. Pursuant to the settlement, we paid the plaintiffs' legal fees which were not material to our consolidated financial statements, and we have implemented certain changes to our corporate governance and health, safety, and environmental policies.

There are no other legal proceedings to which any Director, officer or principal stockholder, or any affiliate thereof, is a party that would potentially be material and adverse to Halliburton.

14.6 Administrative, Management, and Supervisory bodies and Senior Management conflicts of interests

There are no conflicts of interest, actual or potential, between any of the duties those people listed in paragraphs 14.1 or 14.2 owe to Halliburton and to their private or other duties.

There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any person listed in paragraphs 14.1 and 14.2 was selected as a member of the administrative, management or supervisory bodies or member of senior management.

The Board of Directors adopted stock ownership requirements for all non-employee Directors to further align their interests with our stockholders. The Compensation Committee of the Board adopted stock ownership requirements for specified officers, which include all the named executive officers, to further align their interests with our stockholders. Other than pursuant to the terms of restricted stock awards described below and the stock ownership requirements described in paragraphs 15.1 and 15.7 of this Prospectus, there are no restrictions agreed to by the persons referred to in paragraphs 14.1 and 14.2 on the disposal within a certain period of time of their holdings in Halliburton's securities.

15. REMUNERATION AND BENEFITS

The information included in this paragraph 15 is provided as of the most recent practicable date. Any further information that is relevant to this paragraph 15 and arises following the date of this Prospectus shall be disclosed in a supplementary prospectus to this document in accordance with the Prospectus Rules.

Halliburton seeks to enhance the Company's value by providing a broad spectrum of high quality services and related products. The Compensation Committee believes that Halliburton's total compensation package for executives should emphasize compensation plans that are linked to measures of both absolute and relative performance.

15.1 Directors' Compensation

Directors' Fees and Deferred Compensation Plan

All non-employee Directors receive an annual retainer of $100,000. The Lead Independent Director receives an additional annual retainer of $25,000 and the chairperson of each committee also receives an additional retainer annually for serving as chair as follows: Audit — $20,000; Compensation — $15,000; Health, Safety and Environment — $15,000; and Nominating and Corporate Governance — $15,000. Non-employee Directors are permitted to defer all or part of their fees under the Directors' Deferred Compensation Plan described below.

Directors' Equity Awards

Each non-employee Director receives an annual equity award with a value of approximately $160,000 on the date of the award. Prior to 2012, each non-employee Director received an annual equity award consisting of restricted shares of Common Stock. Beginning in 2012, each non-employee Director receives an annual equity award consisting of restricted stock units ("RSUs"), each of which represents the right to receive a share of Common Stock at a future date. The actual number of RSUs is determined by dividing

$160,000 by the average of the closing price of our Common Stock on the NYSE on each business day during the month of July. These annual awards are made on or about the first of August of each year. The value of the award may be more or less than $160,000 based on the closing price of our Common Stock on the NYSE on the date of the award in August. Non-employee Directors are permitted to defer all or their RSUs under the Directors' Deferred Compensation Plan described below.

Additionally, when a non-employee Director is first elected to the Board, he or she receives an equity award shortly thereafter. Prior to May of 2012, each newly elected non-employee Director received an equity award consisting of 2,000 restricted shares of Common Stock. Each non-employee Director first elected to the Board after May of 2012 will receive an equity award of RSUs equal to a pro-rated value of the annual equity award of $160,000. The factor used to determine the pro-rated award is the number of whole months of service from the beginning of the month in which the Director is elected to the following first of August divided by twelve. The number of RSUs awarded is determined by dividing the pro-rated award amount by the average of the closing price of our Common Stock on the NYSE on each business day during the month immediately preceding the Director's election to the Board.

Directors may not sell, assign, pledge or otherwise transfer or encumber restricted shares or RSUs until the restrictions are removed. Restrictions on RSUs lapse 25% a year over four years of service with the applicable underlying shares of Common Stock distributed annually to the non-employee Director. If a non-employee Director has a separation of service from the Board before completing four years of service since the applicable award date, any unvested RSUs would be forfeited. Restrictions on restricted shares and RSUs lapse following termination of Board service only under specified circumstances, which may include, subject to the Board's discretion, death or disability, retirement under the Director mandatory retirement policy, or early retirement after at least four years of service.

During the restriction period, Directors have the right to (i) vote restricted shares, but not shares underlying RSUs, and (ii) receive dividends and dividend equivalents in cash on restricted shares and RSUs that are not subject to deferral election. RSUs that are subject to a deferral election receive dividend equivalents under the Directors' Deferred Compensation Plan described below.

Directors' Deferred Compensation Plan

The Directors' Deferred Compensation Plan is a non-qualified deferred compensation plan and participation is completely voluntary. Under the plan, non-employee Directors are permitted to defer all or part of their retainer fees and all of the shares of Common Stock underlying their RSUs when they vest. If a non-employee Director elects to defer retainer fees under the plan, then the Director may elect to have his or her deferred fees accumulate under an interest bearing account or translate on a quarterly basis into Halliburton Common Stock equivalent units (SEUs) under a stock equivalents account. If a non-employee Director elects to defer receipt of the shares of Common Stock underlying his or her RSUs when they vest, then those shares are retained as deferred RSUs under the plan. The interest bearing account is credited quarterly with interest at the prime rate of Citibank, N.A. The stock equivalents account and deferred RSUs are credited quarterly with dividend equivalents based on the same dividend rate as Halliburton Common Stock and those amounts are translated into additional SEUs or RSUs respectively.

After a Director's retirement, distributions under the plan are made to the Director in a single distribution or in annual installments over a 5- or 10-year period as elected by the Director. Distributions under the interest bearing account are made in cash, while distributions of SEUs under the stock equivalents account and deferred RSUs are made in shares of Halliburton Common Stock. Ms. Dicciani, Ms. Reed and Messrs. Bennett, Boyd, Carroll, and Gillis have elected to defer all or part of their retainer fees under the plan, and Ms. Dicciani, Ms. Reed and Messrs. Bennett, Boyd, Carroll, Gillis, Jum'ah, and Martin have elected to defer all of their RSUs under the plan.

Directors' Stock Ownership Requirements

We have stock ownership requirements for all non-employee Directors to further align their interests with our stockholders. As a result, all non-employee Directors are required to own Halliburton Common Stock in an amount equal to or in excess of the greater of (A) the cash portion of the Director's annual retainer for the five-year period beginning on the date the Director is first elected to the Board or (B) $500,000. The Nominating and Corporate Governance Committee reviews the holdings of all non-employee Directors, which include restricted shares other Halliburton Common Stock and RSUs owned by the Director, at each May meeting. Each non-employee Director has five years to meet the requirements, measured from the later of September 12, 2011, or the date he or she is first elected to the Board. Each non-employee Director currently meets the stock ownership requirements or is on track to do so within the requisite five-year period.

Director Clawback Policy

In January 2013 we adopted a clawback policy under which we will seek to recoup incentive compensation in all appropriate cases paid to, awarded to, or credited for the benefit of a Director if and to the extent that:

- it is determined that, in connection with the performance of that Director's duties, he or she substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal or state law, or recklessly disregarded his or her duty to exercise reasonable oversight; or
- the Director is named as a defendant in a law enforcement proceeding for having substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal or state law, the Director disagrees with the allegations relating to the proceeding and either (A) we initiate a review and determine that the alleged action is not indemnifiable or (B) the Director does not prevail at trial, enters into a plea arrangement, agrees to the entry of a final administrative or judicial order imposing sanctions or otherwise admits to the violation in a legal proceeding.

Depending on the circumstances described above, the disinterested members of the Board, the disinterested members of the Compensation Committee and/or the disinterested members of the Nominating and Corporate Governance Committee may be involved in the process of reviewing, considering and making determinations regarding the Director's alleged conduct, whether recoupment is appropriate or required, and the type and amount of incentive compensation to be recouped from the Director.

Charitable Contributions and Other Benefits

Matching Gift Programs

To further our support for charities, Directors may participate in the Halliburton Foundation's matching gift programs for educational institutions, not-for-profit hospitals and medical foundations. For each eligible contribution, the Halliburton Foundation makes a contribution of two times the amount contributed by the Director, subject to approval by its Trustees and provided the contribution meets certain criteria. The maximum aggregate of all contributions each calendar year by a Director eligible for matching is $50,000, resulting in a maximum aggregate amount contributed annually by the Halliburton Foundation in the form of matching gifts of $100,000 for any Director who participates in the programs. Neither the Halliburton Foundation nor we have made a charitable contribution, within the preceding three years, to any charitable organization in which a Director serves as an employee or an immediate family member of the Director serves as an executive officer that exceeds in any single year the greater of $1 million or 2% of such charitable organization's consolidated gross revenues.

Accidental Death and Dismemberment

We offer an optional accidental death and dismemberment policy for non-employee Directors for individual coverage or family coverage with a benefit per Director of up to $250,000 and lesser amounts for family members. Ms. Dicciani and Messrs. Carroll, Gerber, and Malone elected individual coverage at a cost of $99 annually. Messrs. Gillis and Martin elected family coverage at a cost of $159 annually. These premiums are included in the All Other Compensation column of the 2012 Director Compensation Table for those who participate.

2012 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Alan M. Bennett	120,000	176,138	1,338	104,085	401,561
James R. Boyd	115,000	176,138	0	113,230	404,368
Milton Carroll	100,000	176,138	0	14,527	290,665
Nance K. Dicciani	100,000	176,138	544	107,951	384,633
Murry S. Gerber	97,528	248,798	0	101,768	448,094
S. Malcolm Gillis	113,131	176,138	1,841	44,463	335,573
Abdallah S. Jum'ah	100,000	176,138	0	104,235	380,373
Robert A. Malone	100,000	176,138	0	106,391	382,529
J. Landis Martin	125,000	176,138	0	113,767	414,905
Debra L. Reed	113,132	176,138	3,555	15,959	308,784

Fees Earned or Paid In Cash. The amounts in this column represent retainer fees earned in fiscal year 2012, but not necessarily paid in 2012. Refer to the section Directors' Fees and Deferred Compensation Plan within this paragraph 15.1 for information on annual retainer fees.

Stock Awards. The amounts in the Stock Awards column reflect the grant date fair value of restricted stock or RSUs awarded in 2012. Accounting Standards Codification ("ASC") 718 requires the reporting of the aggregate grant date fair value of equity awards granted to the Director during the fiscal year. We calculate the fair value of equity awards by multiplying the number of restricted shares or RSUs granted by the closing stock price as of the award's grant date.

The number of restricted shares, RSUs, and SEUs held at December 31, 2012 by non-employee Directors are:

Name	Restricted Shares	RSUs	SEUs
Alan M. Bennett	25,236	5,300	12,482
James R. Boyd	25,236	5,300	23,273
Milton Carroll	20,271	5,300	19,211
Nance K. Dicciani	14,843	5,300	5,324
Murry S. Gerber	2,000	5,272	—
S. Malcolm Gillis	28,762	5,300	—
Abdallah S. Jum'ah	9,126	5,300	—
Robert A. Malone	14,843	5,272	—
J. Landis Martin	35,162	5,300	—
Debra L. Reed	33,562	5,300	9,284

Change in Pension Value and Nonqualified Deferred Compensation Earnings. None of the Directors had a change in pension value for 2012. The amounts included in this column represent above-market earnings credited to the interest bearing account of each participating Director under the Directors' Deferred Compensation Plan for 2012 as follows: Mr. Bennett - $1,338; Ms. Dicciani - $544; Dr. Gillis -

$1,841; and Ms. Reed - $3,555. The above-market earnings associated with this plan for 2012 was 0.36% (3.25% (plan interest) minus 2.89% (120% AFR rate)).

All Other Compensation. This column includes compensation related to the Halliburton Foundation, Accidental Death and Dismemberment program, dividends or dividend equivalents in cash on restricted shares or RSUs, and dividend equivalents associated with the Directors' Deferred Compensation Plan.

Directors who participated in the matching gift programs under the Halliburton Foundation and the corresponding match provided by the Halliburton Foundation are: Mr. Bennett — $90,000; Mr. Boyd — $95,666; Ms. Dicciani — $100,000; Mr. Gerber —$100,000; Dr. Gillis — $33,000; Mr. Jum'ah —$100,000; Mr. Malone —$100,000; and Mr. Martin — $100,000. The amounts reflected indicate matching payments made by the Halliburton Foundation in 2012.

Directors who participated in the Accidental Death and Dismemberment program and incurred imputed income for the benefit amount of $99 for individual coverage and $159 for family coverage are: Mr. Carroll — $99; Ms. Dicciani — $99; Mr. Gerber — $99; Dr. Gillis — $159; Mr. Malone — $99; and Mr. Martin — $159.

Directors who received dividends or dividend equivalents in cash on restricted shares or RSUs held on Halliburton record dates are: Mr. Bennett — $9,085; Mr. Boyd — $9,085; Mr. Carroll — $7,298; Ms. Dicciani — $5,343; Mr. Gerber — $1,669; Dr. Gillis — $10,354; Mr. Jum'ah — $3,285; Mr. Malone — $6,292; Mr. Martin — $12,658; and Ms. Reed — $12,082.

Directors who received dividend equivalents attributable to their stock equivalents account under the Directors' Deferred Compensation Plan are: Mr. Bennett — $4,050; Mr. Boyd — $7,529; Mr. Carroll — $6,180; Ms. Dicciani — $1,559; and Ms. Reed — $2,927.

Directors who received dividend equivalents attributable to their deferred RSUs under the Directors' Deferred Compensation Plan are: Mr. Bennett — $950; Mr. Boyd — $950; Mr. Carroll — $950; Ms. Dicciani — $950; Dr. Gillis — $950; Mr. Jum'ah — $950; Mr. Martin — $950; and Ms. Reed — $950.

15.2 Overall Compensation Objectives, Philosophy and Strategy

EXECUTIVE COMPENSATION OBJECTIVES

Our executive compensation program is designed to achieve the following objectives:

- Provide a clear and direct relationship between executive pay and Company performance on both a short-term and long-term basis;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive stockholder value;
- Support our business strategies; and
- Maximize the return on our human resource investment.

These objectives serve to assure our long-term success and are built on the following compensation principles:

- Executive compensation is managed from a total compensation perspective (i.e., base salary, short- and long-term incentives and retirement are reviewed altogether).
- Consideration is also given to each component of the total compensation package in order to provide our Named Executive Officers, or NEOs, with competitive, market-driven compensation opportunities.
- All elements of compensation are compared to the total compensation packages of a comparator peer group that includes both competitors and companies representing general industry that reflect the markets in which we compete for business and people.

Executive Compensation Procedures

Our compensation procedures guide the actions taken by the Compensation Committee, or Committee. This ensures consistency from year to year and adherence to the responsibilities listed in the Committee's Charter. The Committee reviews and approves total compensation annually, which includes:

- Selecting and engaging an independent, external compensation consultant;
- Identifying the comparator peer group companies;
- Reviewing market data on benchmark positions; and
- Reviewing performance results against operating plans and our comparator peer group.

These procedures are used to make the final determination of total compensation for our NEOs.

Our internal stock nomination process under the Halliburton Company Stock and Incentive Plan ensures that all award grant dates are prospective and not retroactive. For NEOs, the grant date is the day the Committee determines annual compensation actions, generally in December of each year. However, awards may be approved by the Committee throughout the year as they determine, such as for retention or performance purposes. Exercise prices are set at the closing stock price on the date of the approved grant. Actual stock grants authorized for NEOs in 2012 are reflected in the Summary Compensation Table located at paragraph 15.10 of this document, and the Grants of Plan-Based Awards in Fiscal 2012 and Outstanding Equity Awards at Fiscal Year End 2012 tables located at paragraph 17.2 of this document.

Role of the CEO in Setting Compensation

The CEO does not provide recommendations concerning his own total compensation, nor is he present when his total compensation is discussed by the Committee. The Committee, with input from its independent, external compensation consultant, discusses the elements of his total compensation in executive session and makes a recommendation to all of the non-employee members of the Board for discussion and final approval. At the Committee's request, a member of Halliburton's management team may attend the executive session to answer questions from the Committee.

The CEO does, however, assist the Committee in setting executive compensation for the other NEOs. The CEO along with the independent, external compensation consultant to the Committee, are guided by our compensation principles. They also consider current business conditions and make the following recommendations to the Committee:

- Base salary increases, taking into account comparator peer group data, and the NEO's individual performance and role within the company.
- Performance measures, target goals, and award schedules for short-term incentive opportunities under our performance pay plan, with performance targets being set relative to the projected business cycle and business plan.
- Long-term incentive awards made under the Halliburton Company Stock and Incentive Plan, including developing and providing specific recommendations to the Committee on the aggregate number and types of shares to be awarded annually, reviewing the rationale and guidelines for annual stock awards, and recommending changes to the grant types, when appropriate.
- Discretionary retirement awards, which are calculated by an external actuary, under the Halliburton Company Supplemental Executive Retirement Plan.

Use of Independent Consultants and Advisors

The Committee engaged Pearl Meyer & Partners, or PM&P, as its independent, external compensation consultant during 2012. PM&P provides only executive compensation consulting services for the Committee. PM&P also provided industry related compensation survey data to us, the fees for which are less than $10,000. The primary responsibilities of the independent, external compensation consultant were to:

- Provide the Committee with independent and objective market data;
- Conduct compensation analysis;
- Recommend potential changes to the comparator peer group;
- Recommend plan design changes;
- Advise on risks associated with compensation plans; and
- Review and advise on pay programs and pay levels.

These services are provided as requested by the Committee throughout the year.

Executive Compensation Benchmarking

The companies comprising the comparator peer group are selected based on the following considerations:

- Market capitalization;
- Revenue and number of employees;
- Scope in terms of global impact and reach; and
- Industry affiliation.

Industry affiliation includes companies that are involved in the oil and natural gas and energy services industries. The comparator peer group is reviewed annually by the Committee to ensure relevance, with data provided to the Committee by the independent, external compensation consultant. The Committee targets between 20 and 25 companies for its comparator peer group.

Comparator Peer Group

The 2012 comparator peer group was composed of specific peer companies within the energy industry as well as selected companies representing general industry. This peer group was utilized to determine market levels of total compensation for the 2012 calendar year.

The comparator peer group used for our 2012 compensation review, which remains unchanged from the comparator peer group used for our 2011 compensation review, consisted of the following companies:

- 3M Company
- Anadarko Petroleum Corporation
- Apache Corporation
- Baker Hughes Incorporated
- Caterpillar Inc.
- Deere and Company
- Devon Energy Corporation
- Emerson Electric Co.
- Fluor
- Hess Corporation
- Honeywell International Inc.
- Johnson Controls, Inc.
- Murphy Oil Corporation
- National Oilwell Varco, Inc.
- Occidental Petroleum Corporation
- Raytheon Co.
- Schlumberger Ltd.
- Transocean Ltd.
- Weatherford International, Ltd.
- The Williams Companies, Inc.

A slightly different comparator peer group is utilized for the 2012 cycle Performance Unit Program as discussed in the *Long-term Incentives — Performance Unit* section.

Role of Market Data

The market data is size adjusted as necessary by revenue so that it is comparable with our trailing twelve month revenue. We size adjust the total compensation benchmarking data because of variances in market capitalization and revenue size among the companies comprising our comparator peer group. These adjusted values are used as the basis of comparison of compensation between our executives and those of the comparator peer group.

Total executive compensation for each NEO is structured to target market competitive pay levels at the 50th percentile in base pay, and short- and long-term incentive opportunities. We also place an emphasis on variable pay at risk, which enables this compensation structure to position actual pay above or below the 50th percentile of our comparator peer group depending on performance.

A consistent pre-tax, present value methodology is used in assessing stock-based and other long-term incentive awards, including the Black-Scholes model used to value stock option grants.

The independent, external consultant gathers and performs an analysis of market data to determine how each element of our total compensation for our NEOs compares to that of our comparator peer group and advises the Committee on the market data and its results.

INTEGRATION OF COMPENSATION COMPONENTS, PLAN DESIGN, AND DECISION-MAKING FACTORS

The Committee considers all elements of the executive compensation package for each NEO for the upcoming year in December. The Committee receives historical and prospective breakdowns of the total compensation components for each NEO as follows:

- Individual two-year total compensation history, which includes base salary, short- and long-term incentives, and other benefits and perquisites;
- Total company-awarded stock position, including vested and unvested awards; and

- Detailed supplemental retirement award calculations.

Along with historical and prospective breakdowns, a competitive analysis is prepared by the independent, external compensation consultant for each NEO, comparing each of their individual components of compensation as well as total compensation to that of the comparator peer group. This competitive analysis consists of market data comparing each of the pay elements at the 25th, 50th, and 75th percentiles of the comparator peer group to current compensation for each of the NEOs.

The Committee also reviews the results of the advisory vote on executive compensation held at the prior year's annual meeting and considers those results, along with many other factors, when evaluating our executive compensation program. Because our stockholders approved the compensation paid to our executives as described in the 2012 proxy statement, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, and because the Committee believes that our compensation program aligns our executive compensation structure with our stockholders' interests and current market practices, the Committee did not implement any changes to our executive compensation program for 2013.

In making compensation decisions, each of the following compensation elements is reviewed separately and collectively:

- Base salary;
- Short-term (annual) incentives;
- Long-term incentives;
- Supplemental executive retirement benefits; and
- Other benefits, including perquisites and broad-based benefits such as health and welfare benefits.

Of these elements, all but base salary are variable and at risk of forfeiture. The Committee uses base salary as the primary reference point for determining the target value and actual value of each of the above elements of compensation, individually and in the aggregate, for each NEO. This assists the Committee in confirming that our compensation package for NEOs is appropriate and competitive to our comparator peer group.

The Committee then considers the following subjectively when making final compensation determinations:

- How compensation elements serve to appropriately motivate and reward each NEO;
- Competitively positioning each NEO's total compensation to retain their services;
- Individual NEO performance in reaching financial and operational objectives;
- Sustained levels of performance, future potential, time in position, and years of service; and
- Other factors including operational or functional goals as the Committee determines are appropriate.

These factors are considered on an unweighted basis in making final pay decisions and to ensure internal equity among positions having similar scope and responsibility.

After considering these factors, the Committee then sets the final compensation opportunity for each NEO so that their actual total compensation is consistent with our executive compensation philosophy of paying at the 50th percentile or higher for those years of superior performance and paying below the 50th percentile when performance does not meet competitive standards.

The procedures used to set compensation for each of the NEOs are the same. Variations do exist in the amounts of compensation among the NEOs as a result of each NEO's position and corresponding scope of responsibility, individual performance, length of time in the role and differences in the competitive market pay levels for positions in the comparator peer group.

Generally, in years when we achieve financial results substantially above or below expectations, actual compensation may fall outside the initial targets established by the Committee.

Determination of CEO and NEO Target Total Compensation

When determining the base salary and stock awards for Mr. Lesar, the Committee takes into consideration competitive market pay levels for the CEOs within the comparator peer group. They also consider Mr. Lesar's accomplishments in the areas of business development and expansion, management succession, development and retention of management, and the achievement of financial and operational objectives.

Each year, Mr. Lesar and the members of the Board agree upon a set of objectives based on the categories listed in our corporate governance guidelines which include:

- Leadership and vision;
- Integrity;
- Keeping the Board informed on matters affecting Halliburton and its operating units;
- Performance of the business;
- Development and implementation of initiatives to provide long-term economic benefit to Halliburton;
- Accomplishment of strategic objectives; and
- Development of management.

The Board determined that Mr. Lesar met these objectives in 2012 through the following achievements:

- Halliburton and its business units maintained superior year over year relative performance against major competitors in terms of revenue, margins and Return on Capital Employed (performance of the business);
- Visibly led the organization through the business cycle through effective stakeholder communication, high visibility with employees, investors and customers (leadership and vision);
- Continued international diversification, capitalized on strategic merger and acquisition opportunities, grew market share in every product service line and developed relationships with key customers (accomplishment of strategic objectives and development and implementation of initiatives to provide long-term economic benefit to Halliburton);
- Maintained unwavering commitment to our Health, Safety and Environment program and ensured that all employees and other key stakeholders understand that an incident-free workplace is achievable and must be driven by leadership and teamwork of our employees (performance of the business and leadership and vision);
- Continued to expose management to the Board, further enhanced management/employee succession process and focused senior management on talent development initiatives (development of management); and
- Continued to act in a role model capacity as it relates to ethical behavior and communicated regularly with the members of the Board providing status reports and notification of issues of immediate concern (integrity and keeping the Board informed on matters affecting Halliburton and its operating units).

The Committee considers Mr. Lesar's performance evaluation when determining his total compensation, including base salary and short- and long-term incentives, including stock awards.

Other NEO target total compensation is determined similarly to that of the CEO. Actual total compensation, including base salary, stock awards and short- and long-term incentives, for Messrs. Lesar, McCollum, Brown and Probert were targeted to the 50th percentile pay levels of peer positions for 2012.

In September 2012, Mr. Miller became an executive officer upon his promotion to Executive Vice President and Chief Operating Officer, at which time his compensation was set by the Committee.

15.3 Base Salary

The Committee targets base salaries at the median of the comparator group in an effort to control fixed costs and to reward for performance in excess of the median through variable components of pay.

In evaluating market comparisons in setting base salary, the Committee also considers the following factors:

- Level of responsibility;
- Experience in current role and equitable compensation relationships among internal peers;
- Performance and leadership; and
- External factors involving competitive positioning, general economic conditions and marketplace compensation trends.

Base pay amounts for the NEOs are listed in the Summary Compensation Table. For 2012:

- Mr. Lesar received a salary increase for 2012 to align his target total cash compensation with the 50th percentile of our comparator peer group.
- Mr. McCollum received an 1.4% increase in January 2012 to align his base salary with the 50th percentile of our comparator peer group.
- Mr. Brown received a 0.6% increase in January 2012 to align his base salary with the 50th percentile of our comparator group.

- Mr. Miller received a 13.3% increase in January 2012.
- Mr. Probert received a 5.5% increase in January 2012 to align his base salary with to the 50th percentile of our comparator peer group.

No specific formula is applied to determine the weight of each factor. Salary reviews are conducted annually to evaluate each executive; however, individual salaries are not necessarily adjusted each year. Base pay amounts for the NEOs are listed in the Summary Compensation Table in paragraph 15.10.

15.4 Short-term (Annual) Incentives

The Committee established the Annual Performance Pay Plan to:

- Reward executives and other key members of management for improving financial results that drive the creation of economic value for our stockholders; and
- Provide a means to connect individual cash compensation directly to our performance.

The Annual Performance Pay Plan provides for performance awards in accordance with the terms of the Halliburton Company Stock and Incentive Program.

The Annual Performance Pay Plan provides an incentive to our NEOs to achieve the business objective of generating more earnings than normally expected by the investors who have provided us with capital to grow our business. We measure achievement of this objective using Cash Value Added, or CVA.

CVA is a financial measurement that demonstrates the amount of economic value added to our business. The formula for calculating CVA is as follows:

Operating Income
+ Interest Income
+ Foreign Currency Gains (Losses)
+ Other Nonoperating Income (Expense), Net
= Net Operating Profit
− Income Taxes
= Net Operating Profit After Taxes

Net Invested Capital
x Weighted Average Cost of Capital
= Capital Charge

Cash Value Added ("CVA") = Net Operating Profit After Taxes — Capital Charge

Net Operating Profit After Taxes equals the sum of operating income plus interest income plus foreign currency gains (losses) plus other nonoperating income (expense) reduced by our income taxes. When determining actual CVA performance, we typically apply a planned income tax rate (which may exclude large, non-recurring drivers of our effective income tax rate).

Capital Charge equals total assets (excluding deferred income tax assets) less total liabilities (excluding debt and deferred income tax liabilities) multiplied by a weighted average cost of capital percentage.

Cash Value Added is computed monthly and accumulated throughout the calendar year. Adjustments in the calculation of the CVA payout may, at times, be approved by the Committee and can include the treatment of unusual items that may have impacted our actual results.

At the beginning of each plan year, the Committee approves an incentive award schedule that equates given levels of CVA performance with varying reward opportunities paid in cash. The performance goals range from "Threshold" to "Target" to "Maximum." Threshold reflects the minimum CVA performance level which must be achieved in order for awards to be earned and Maximum reflects the maximum level that can be earned.

These goals are based on our annual operating plan, as reviewed and approved by our Board, and are set at levels believed to be sufficient to meet or exceed stockholder expectations of our performance, as well as expectations of the relative performance of our competitors. Given the cyclical nature of our business, our performance goals vary from year to year, which can similarly impact the difficulty in achieving these goals.

The Committee set the 2012 performance goals for Messrs. Lesar, McCollum, Brown, and Probert based on company-wide consolidated CVA results. Threshold CVA was based on 90% of planned operating income, Target CVA on 100% of planned operating income and Maximum CVA on 110% of planned operating income. The CVA targets for 2012 were $1,217 million at Threshold, $1,559 million at Target and $1,902 million at Maximum. Actual CVA for 2012 was $767 million.

Mr. Miller's performance goals included metrics aligned with the business operations for which he was responsible during 2012. Mr. Miller was measured on Halliburton Revenue, Division Net Operating Value Added (NOVA) and Hemisphere NOVA. NOVA utilizes balance sheet items under direct or indirect Division or Region control. It excludes interest income and foreign exchange gains and losses from operating income and uses only selected assets for the capital charge calculation that can be directly or indirectly impacted by Division or Region employee decisions. As such, NOVA functions similar to CVA.

Individual incentive award opportunities are established as a percentage of base salary at the beginning of the plan year. The maximum amount a NEO can receive is limited to two times the target opportunity level. The level of achievement of annual CVA performance determines the dollar amount of incentive compensation payable to participants following completion of the plan year.

The Committee set Messrs. Lesar, McCollum, Brown and Probert's opportunities under the plan as follows:

NEO	Threshold Opportunity	Target Opportunity	Maximum Opportunity
Mr. Lesar	56%	140%	280%
Mr. McCollum	36%	90%	180%
Mr. Brown	40%	100%	200%
Mr. Miller [(1)]	20%	50%	100%
Mr. Probert	40%	100%	200%

(1) Mr. Miller was not under the purview of the Committee when his 2012 reward opportunity was set.

Threshold, Target, and Maximum opportunity dollar amounts can be found in the Grants of Plan-Based Awards in Fiscal 2012 table located at paragraph 17.2 of this document. The earned award for Mr. Miller is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table in paragraph 15.10 of this document. Because actual CVA was less than Threshold CVA, no awards were earned by Messrs. Lesar, McCollum, Brown or Probert under the Annual Performance Pay Plan during 2012.

Over the past ten years, the Annual Performance Pay Plan achieved Maximum performance levels six times, achieved Target performance level one time, and fell short of the Threshold performance level three times.

15.5 Long-term Incentives

The Committee established the Stock and Incentive Plan to achieve the following objectives:

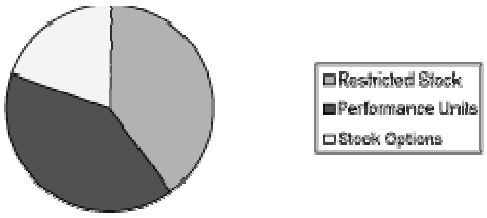
- Reward consistent achievement of value creation and operating performance goals;
- Align management with stockholder interests; and
- Encourage long-term perspectives and commitment.

Our Stock and Incentive Plan provides for a variety of cash and stock-based awards, including nonqualified and incentive stock options, restricted stock and units, performance shares and units, stock appreciation rights, and stock value equivalents, also known as phantom stock. Under the Stock and Incentive Plan, the Committee may, at its discretion, select from among these types of awards to establish individual long-term incentive awards.

Long-term incentives represent the largest component of total executive compensation opportunity. We believe this is appropriate given our principle that executive pay should be closely tied to stockholder interests and is at-risk based on performance.

For 2012, we used a combination of long-term incentive vehicles, including time-based restricted stock, performance units, and nonqualified stock options. Operations-based incentives in the form of performance units targeted 40% of the long-term incentive value, another 40% was delivered through restricted stock and the remaining 20% was delivered in stock options.

Combination of Long-term Incentive Vehicles



Granting a mix of incentives allows us to provide a diversified yet balanced long-term incentive program that effectively addresses volatility in our industry and in the stock market, in addition to maintaining an incentive to meet performance goals. Stock options and restricted stock are directly tied to our stock price performance and, therefore, directly to stockholder value. Additionally, restricted stock provides a significant retention incentive while the Performance Unit Program shifts the focus to improving long-term returns on capital employed, as measured in relation to the comparator peer group.

In determining the size of long-term incentive awards, the Committee first considers market data references to the long-term incentive value for comparable positions and then may adjust the awards upwards or downwards based on the Committee's review of internal equity. This can result in positions of similar magnitude and pay receiving awards of varying size. The 2012 long-term incentive awards for each NEO were based primarily on market data.

Restricted Stock and Stock Options

Our restricted stock and stock option awards are granted under the Stock and Incentive Plan and are listed in the Grants of Plan-Based Awards in Fiscal 2012 table located at paragraph 17.2 of this document. The individual awards for each NEO made in 2012 were approved by the Committee with the exception of the January 3, 2012 grants to Mr. Miller, which were made prior to his appointment as an executive officer.

Restricted stock grants are generally subject to a graded vesting schedule of 20% per year over 5 years. However, different vesting schedules may be utilized at the discretion of the Committee. Shares of restricted stock receive dividend or dividend equivalent payments.

Stock option awards vest over a three-year graded vesting period with 33 1/3% of the grant vesting each year. All options are priced at the closing stock price on the date the grant is approved by the Committee.

The stock and option award columns in the Summary Compensation Table in paragraph 15.10 of this document reflect the aggregate grant date fair value of the restricted stock and option awards for each NEO.

Performance Units

The Performance Unit Program was designed to provide NEOs and other selected executives with incentive opportunities based on the level of achievement of pre-established performance objectives during three-year performance periods. The purpose of the program is to reinforce our objectives for sustained long-term performance and value creation. It is also intended to reinforce strategic planning processes, balance short- and long-term decision making and help provide competitive total compensation opportunities.

The program measures our consolidated Return on Capital Employed, or ROCE, compared to both absolute goals and relative goals, as measured by the results achieved by our comparator peer group companies used for the Performance Unit Program. The three-year performance period aligns the program's measures with our and our comparator peer group's business cycles.

ROCE indicates the efficiency and profitability of our capital investments and is determined based on the ratio of earnings divided by average capital employed. The calculation is as follows:

$$\textbf{ROCE = (Return on Capital Employed)} \quad \frac{\text{Net income + after-tax interest expense}}{\text{Shareholders' equity (average of beginning and end of period) + Debt (average of beginning and end of period)}}$$

The comparator peer group used for the Performance Unit Program is comprised of oilfield equipment and service companies and domestic and international exploration and production companies. We use this comparator peer group for the Performance Unit Program because these companies represent the timing, cyclicality, and volatility of the oil and natural gas industry and provide an appropriate basis for measuring our relative performance against the industry.

The comparator peer group for the 2012 cycle Performance Unit Program includes:

- Anadarko Petroleum Corporation
- Apache Corporation
- Baker Hughes Incorporated
- Cameron International Corporation
- Chesapeake Energy Corporation
- Devon Energy Corporation
- Hess Corporation
- Marathon Oil Corporation
- Murphy Oil Corporation
- Nabors Industries Ltd.
- National Oilwell Varco, Inc.
- Schlumberger Ltd.
- Transocean Ltd.
- Weatherford International, Ltd.
- The Williams Companies, Inc.

The program allows for rewards to be paid in cash, stock or a combination of cash and stock. Over the past ten years, the program has achieved maximum performance levels five times, between maximum and target three times, target one time, and below target one time.

2010 cycle Performance Unit Program Payout for NEOs

The 2010 cycle of the Performance Unit Program ended on December 31, 2012. Both absolute and relative performance measures are established at the beginning of each cycle and approved by the Committee. The 2010 cycle required a three-year average ROCE above 11% to achieve the Maximum level on an absolute basis, and a three-year average ROCE above the 75th percentile of the ROCE for our comparator peer group to achieve the Maximum level on a relative basis. The three-year average ROCE for our comparator peer group at the 75th percentile was 11.06%. Our three-year average ROCE for the 2010 cycle was 17.27%. Because our results for this cycle were in excess of the Maximum levels on both an absolute basis and relative to our comparator peer group, the NEOs received payments in 2012 as set forth in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table in paragraph 15.10 of this document and in the related narrative following the table.

2012 cycle Performance Unit Program Opportunities for NEOs

Individual incentive opportunities are established based on market references and in accordance with our practice of granting a mix of long-term incentive vehicles. The Threshold, Target, and Maximum columns under the heading Estimated Future Payouts Under Non-Equity Incentive Plan Awards in the Grants of Plan-Based Awards in Fiscal 2012 table located at paragraph 17.2 of this document indicate the potential payout for each NEO under the Performance Unit Program for the 2012 cycle. The potential payouts are performance driven and completely at risk.

Opportunity levels were determined based upon market data of our comparator peer group and the NEO's role within the organization. Actual payout amounts, if any, will not be known until the three year cycle closes on December 31, 2014.

15.6 Supplemental Executive Retirement Plan

The objective of the Supplemental Executive Retirement Plan, or SERP, is to provide a competitive level of pay replacement upon retirement. The current pay replacement target is 75% of final base salary at age 65 with 25 years of service.

The material factors and guidelines considered in making an allocation include:

- Retirement benefits provided, both qualified and nonqualified;
- Current compensation;
- Length of service; and
- Years of service to normal retirement.

The calculation takes into account the following variables:

- Base salary;
- Years of service;
- Age;

- Employer portion of qualified plan savings;
- Age 65 value of any defined benefit plan; and
- Existing nonqualified plan balances and any other retirement plans.

Several assumptions are made annually and include a base salary increase percentage, qualified and nonqualified plan contributions and investment earnings, and an annuity rate. These factors are reviewed and approved annually by the Committee in advance of calculating any awards.

To determine the annual benefit, external actuaries calculate the total lump sum retirement benefit needed at age 65 from all company retirement sources to produce an annual retirement benefit of 75% of final base salary. Company retirement sources include any qualified benefit plans and contributions to nonqualified benefit plans. If the combination of these two sources does not yield a total retirement balance that will meet the 75% objective, then contributions may be made annually through the SERP to bring the total benefit up to the targeted level.

To illustrate, assume $7.9 million is needed at age 65 to produce an annual retirement benefit equal to 75% of final base salary. The participant is projected to have $2.1 million in his qualified benefit plans at retirement and $3.0 million in his nonqualified retirement plans at retirement. Since the total of these two sources is $5.1 million, a shortfall of $2.8 million results. This is the amount needed to achieve the 75% pay replacement objective. Such shortfall may be offset through annual contributions to the SERP.

Participation in the SERP is limited to the direct reports of the CEO and other selected executives as recommended by the CEO and approved by the Committee at their discretion.

Allocations are made annually for each NEO who participates in the SERP, as approved by the Committee. However, participation one year does not guarantee future participation. The average annual amounts allocated over the history of participation are as follows: Mr. Lesar: $289,053; Mr. McCollum: $144,800; Mr. Brown: $382,400; Mr. Miller: $234,000; and Mr. Probert: $140,500.

In 2012, the Committee authorized retirement allocations under the SERP to all NEOs as listed in the 2012 Nonqualified Deferred Compensation table and as included in the All Other Compensation column in the Summary Compensation Table in paragraph 15.10 of this document. The 2012 Nonqualified Deferred Compensation table is presented in Section 4 of Part III of this Prospectus.

Messrs. Lesar and Probert are fully vested in their respective account balances. Balances earn interest at an annual rate of 5%. Beginning in 2005 and continuing through 2008, the SERP required executives to have participated in the plan for five or more consecutive years in order for those contributions to vest. Mr. Brown began participating in the SERP in 2008 and, as a result, he is not fully vested in the awards made in 2008. In 2009, the Committee approved a change to the vesting schedule of the SERP for awards made in 2009 and in future years. The new vesting schedule requires participants to be at least 55 years of age with 10 years of service with us or meet the Rule of 70 (age plus years of service equal 70 or more). This change was made to increase the retentive value of the plan. Messrs. McCollum and Miller do not meet the vesting requirements for awards made in 2009 and subsequent years.

15.7 Other Executive Benefits and Policies

Retirement and Savings Plan

All NEOs participate in the Halliburton Retirement and Savings Plan, which is the defined contribution benefit plan available to all eligible U.S. employees. The matching contributions included in the Supplemental Table: All Other Compensation detail the amounts we contributed on behalf of each NEO under the plan.

Elective Deferral Plan

All NEOs may participate in the Halliburton Elective Deferral Plan, which was established to provide highly compensated employees with an opportunity to defer earned base salary and incentive compensation in order to help meet retirement and other future income needs.

The Elective Deferral Plan is a nonqualified deferred compensation plan and participation is completely voluntary. Pre-tax deferrals of up to 75% of base salary and/or eligible incentive compensation are allowed each calendar year. Gains or losses are credited based upon the participant’s election from among four benchmark investment choices with varying degrees of risk.

In 2012, Mr. Brown participated in this plan by deferring a percentage of his compensation. Messrs. Lesar and Probert have account balances from participation in prior years. Messrs. McCollum and Miller are not participants in the plan. Further details can be found in the 2012 Nonqualified Deferred Compensation table in Section 4 of Part III of this Prospectus.

Benefit Restoration Plan

The Halliburton Company Benefit Restoration Plan provides a vehicle to restore qualified plan benefits which are reduced as a result of limitations imposed under the Internal Revenue Code or due to participation in other plans we sponsor. It also serves to defer compensation that would otherwise be treated as excessive employee remuneration within the meaning of Section 162(m) of the Internal Revenue Code.

In 2012, all NEOs received awards under this plan in the amounts included in the Supplemental Table: All Other Compensation and the 2012 Nonqualified Deferred Compensation table in Section 4 of Part III of this Prospectus.

Defined Benefit Pension Plans

None of our NEOs participated in any defined benefit pension plans as we no longer offer these types of plans to our U.S. employees. Also, the NEOs are not participants in any previously offered pension plans, which are now also frozen.

Perquisites

Health care and insurance coverage for our NEOs is the same as that provided to all active employees. In addition, we provide our NEOs and other highly compensated employees a physical examination benefit to be voluntarily utilized on an annual basis.

Country club memberships are limited and provided on an as-needed basis for business purposes only. Messrs. Brown and Miller had club memberships in 2012.

We do not provide cars or car allowances. However, for security purposes and to allow for the efficient use of Mr. Lesar's time, a company-leased car and part-time driver are provided for Mr. Lesar for the primary purpose of commuting to and from work while he is in Dubai and Houston.

A taxable benefit for executive financial planning is provided with the amount dependent on the NEO's level within the company. This benefit does not include tax return preparation. It is paid, only if used, on a reimbursable basis.

We also provided for security assessments and measures at the personal residences of Messrs. Lesar, McCollum, Miller and Probert during 2012.

At the direction of the Board, Mr. Lesar, his spouse and children use company aircraft for all travel. Other than Mr. Lesar, no NEO used company aircraft for personal use in 2012. Spouses are allowed to travel on select business trips.

In 2007, Mr. Lesar relocated to Dubai and became an expatriate under our business practice regarding long-term expatriate assignments. In 2012, Mr. Lesar continued to waive his right to all assignment allowances provided under the terms of our business practice.

Specific amounts for the above mentioned perquisites are detailed for each NEO in the Supplemental Table: All Other Compensation following the Summary Compensation Table in paragraph 15.10 of this document.

Clawback Policy

We have a clawback policy under which we will seek to recoup incentive compensation in all appropriate cases paid to, awarded to, or credited for the benefit of any of our executive officers, which include all the NEOs, if and to the extent that:

- The amount of incentive compensation was calculated on the achievement of financial results that were subsequently reduced due to a restatement of our financial results;
- The NEO engaged in fraudulent conduct that caused the need for the restatement; and
- The amount of incentive compensation that would have been awarded or paid to the officer, had

our financial results been properly reported, would have been lower than the amount actually paid or awarded.

Any such officer who receives incentive compensation based on the achievement of financial results that are subsequently the subject of a restatement will not be subject to recoupment unless the officer personally participates in the fraudulent conduct.

In addition, in January 2013 we amended the policy to provide that we will seek to recoup incentive compensation in all appropriate cases paid to, awarded to, or credited for the benefit of any of our executive officers, which include all the NEOs, and certain other senior officers if and to the extent that:

- It is determined that, in connection with the performance of that officer's duties, he or she substantially participated in a breach of fiduciary duty arising from a material violation of a U.S. federal or state law, or both (A) had direct supervisory responsibility over an employee who substantially participated in such a violation and (B) recklessly disregarded his or her own supervisory responsibilities; or
- The officer is named as a defendant in a law enforcement proceeding for having substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal of state law, the officer disagrees with the allegations relating to the proceeding and either (A) we initiate a review and determine that the alleged action is not indemnifiable or (B) the officer does not prevail at trial, enters into a plea agreement, agrees to the entry of a final administrative or judicial order imposing sanctions or otherwise admits to the violation in a legal proceeding.

Depending on the officer and the circumstances described in the immediately preceding paragraph, the disinterested members of the Board, the disinterested members of the Compensation Committee, the disinterested members of the Nominating and Corporate Governance Committee and/or the members of a management committee may be involved in the process of reviewing, considering and making determinations regarding the officer's alleged conduct, whether recoupment is appropriate or required, and the type and amount of incentive compensation to be recouped from the officer.

Stock Ownership Requirements

We have stock ownership requirements for our executive officers, which include all the NEOs, to further align their interests with our stockholders.

As a result, Mr. Lesar is required to own Halliburton Common Stock in an amount equal to or in excess of six times his annual base salary. Executive officers that report directly to Mr. Lesar are required to own an amount of Halliburton Common Stock equal to or in excess of three times their annual base salary, and all other executive officers are required to own an amount of Halliburton Common Stock equal to or in excess of two times their annual salary. The Committee reviews their holdings, which include restricted shares and all other Halliburton Common Stock owned by the officer, at each December meeting. Each officer has five years to meet the requirements, measured from the later of September 11, 2011 or the date the officer first becomes subject to the ownership level for the applicable office.

As of December 31, 2012, all NEOs meet the requirements.

15.8 ELEMENTS OF POST-TERMINATION COMPENSATION AND BENEFITS

Termination events that trigger payments and benefits include normal or early retirement, change-in-control, cause, death, disability, and voluntary termination. Post-termination payments may include severance, accelerated vesting of restricted stock and stock options, maximum payments under cash-based short- and long-term incentive plans, nonqualified account balances, and health benefits, among others. The Post-Termination or Change-in-Control Payment tables in Section 4 of Part III of this Prospectus indicate the impact of various termination events on each element of compensation for the NEOs.

15.9 IMPACT OF REGULATORY REQUIREMENTS ON COMPENSATION

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for compensation paid to the CEO or any of the four other most highly compensated officers to the extent the compensation exceeds $1 million in any year. Qualifying performance-based compensation is not subject to this limit if certain requirements are met.

Our policy is to utilize available tax deductions whenever appropriate and consistent with our compensation philosophy. When designing and implementing executive compensation programs, we consider all relevant factors, including tax deductibility of compensation. Accordingly, we have attempted to preserve the federal tax deductibility of compensation in excess of $1 million a year to the extent doing so is consistent with our executive compensation objectives; however, we may from time to time pay compensation to our executives that may not be fully deductible.

Our Stock and Incentive Plan enables qualification of stock options, stock appreciation rights, and performance share awards as well as short- and long-term cash performance plans under Section 162(m).

To the extent required by Section 304 of the Sarbanes-Oxley Act of 2002, we will make retroactive adjustments to any cash or equity-based incentive compensation paid to the CEO and CFO where the payment was predicated upon the achievement of certain financial results that were subsequently the subject of restatement. When and where applicable, we will seek to recover any amount determined to have been inappropriately received by the CEO and CFO.

15.10 Compensation for Executive Officers

The following table is extracted from Halliburton's 2013 Proxy Statement and sets forth information regarding the Chief Executive Officer, Chief Financial Officer and our three other most highly compensated executive officers as of the fiscal year end, December 31, 2012. Halliburton's 2013 Proxy Statement is located in Section 4 of Part III of this Prospectus.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Comp. ($)	Change In Pension Value and NQDC Earnings ($)	All Other Comp. ($)	Total ($)
David J. Lesar.....	2012	1,530,000	0	5,055,150	2,602,894	6,400,000	256,922	1,606,845	17,451,811
Chairman of the Board, President and Chief Executive Officer	2011	1,430,000	0	3,912,700	1,719,828	7,182,000	189,120	1,443,970 (1)	15,877,618 (1)
	2010	1,358,500	0	3,773,997	1,475,258	6,838,800	104,227	1,343,134	14,893,916
Mark A. McCollum.....	2012	661,000	0	1,068,650	549,486	2,021,600	35,746	405,052	4,741,534
Executive Vice President and Chief Financial Officer	2011	652,000	0	917,706	402,384	2,233,400	21,526	423,148	4,650,164
	2010	600,000	0	979,750	383,840	1,762,500	8,411	358,647	4,093,148
James S. Brown	2012	633,000	0	1,376,850	708,974	2,274,400	81,363	725,457	5,800,044
President -Western Hemisphere	2011	629,000	0	6,205,842	529,644	2,100,550	29,312	709,566	10,203,914
	2010	550,000	0	913,127	356,521	1,263,750	39,954	565,148	3,688,500
Jeffrey A. Miller	2012	425,000	0	3,997,150	1,109,917	692,437	1,126	378,556	6,604,186
Executive Vice President and Chief Operating Officer									
Timothy J. Probert.....	2012	633,000	0	1,376,850	708,974	2,274,400	144,357	433,570	5,571,151
President - Strategy & Corporate Development	2011	600,000	0	1,205,823	529,644	1,526,250	128,701	383,308	4,373,726
	2010	450,000	0	913,127	356,521	1,147,500	91,175	223,368	3,181,691

(1) Includes an additional $38,240 of incremental cost to us for Mr. Lesar's personal use of our aircraft that was inadvertently not included in our 2011 proxy statement.

Salary. The amounts represented in the Salary column are attributable to annual salary earned by each NEO. Information related to salary increases in 2012 is discussed in the Compensation Discussion and Analysis under Base Salary located at paragraph 15.3 of this document.

Stock Awards. The amounts in the Stock Awards column reflect the grant date fair value of the restricted stock awarded in 2012. Accounting Standards Codification (ASC) 718 requires the reporting of the aggregate grant date fair value of stock awards granted to the NEO during the fiscal year. We calculate the fair value of restricted stock awards by multiplying the number of restricted shares granted by the closing stock price as of the award's grant date.

Option Awards. The amounts in the Option Awards column reflect the grant date fair value of the stock options awarded in 2012. ASC 718 requires the reporting of the aggregate grant date fair value of stock options granted to the NEO during the fiscal year. The fair value of stock options is estimated using the Black-Scholes option pricing model. For a discussion of the assumptions made in these valuations, refer to paragraph 17.3 of this document and Note 11 to the Consolidated Financial Statements, Stock-based Compensation, in the Halliburton Company Form 10-K for the fiscal year ended December 31, 2012 included in Section 1 of Part III of this Prospectus.

Non-Equity Incentive Plan Compensation. The amounts represented in the Non-Equity Incentive Plan Compensation column are for amounts earned in 2012 and paid in 2013 for the Halliburton Annual Performance Pay Plan and on December 31, 2012 for the 2010 cycle Performance Unit Program. Information about these programs can be found in the Compensation Discussion and Analysis in paragraphs 15.4 and 15.5 of this Prospectus under Short-term (Annual) Incentives for the Halliburton Annual Performance Pay Plan and under Long-term Incentives - Performance Units for the Performance Unit Program.

The Threshold, Target and Maximum amounts for the 2012 Halliburton Annual Performance Pay Plan and the 2012 cycle of the Performance Unit Program can be found in the Grants of Plan-Based Awards in Fiscal 2012 table located at paragraph 17.2 of this document under the Estimated Future Payouts Under Non-Equity Incentive Plan Awards.

As discussed in the Compensation Discussion and Analysis, no amounts were earned by Messrs. Lesar, McCollum, Brown or Probert under the 2012 Halliburton Annual Performance Pay Plan because the minimum threshold performance level was not achieved. As further discussed in the Compensation Discussion and Analysis, Mr. Miller was measured on different metrics than the other NEOs and he was paid $307,437 for 2012.

The 2010 cycle Performance Unit Program amounts paid to each NEO are: $6,400,000 for Mr. Lesar; $2,021,600 for Mr. McCollum; $2,274,400 for Mr. Brown; $385,000 for Mr. Miller; and $2,274,400 for Mr. Probert.

The amounts paid to the NEOs for the 2010 cycle Performance Unit Program differ from what is shown in the Grants of Plan-Based Awards in Fiscal Year 2012 table under Estimated Future Payments Under Non-Equity Incentive Plan Awards. The Grants of Plan-Based Awards in Fiscal Year 2012 table indicates the potential award amounts for Threshold, Target and Maximum under the 2012 cycle Performance Unit Program, which will close on December 31, 2014. The Summary Compensation Table within this paragraph 15.10 shows amounts paid for a prior program cycle, the 2010 cycle, which closed on December 31, 2012.

Change in Pension Value and NQDC Earnings. The amounts in the Change in Pension Value and NQDC Earnings column are attributable to the above-market earnings for various nonqualified plans. The methodology for determining what constitutes above-market earnings is the difference between the interest rate as stated in the applicable nonqualified plan document and the Internal Revenue Service Long-Term 120% AFR rate as of December 31, 2012. The 120% AFR rate used for determining above-market earnings in 2012 was 2.89%.

Halliburton Company Supplemental Executive Retirement Plan Above-Market Earnings. The current interest rate for participant accounts in the Halliburton Company Supplemental Executive Retirement Plan is 5% as defined by the plan document. The above-market earnings for the plan equaled 2.11% (5% (plan interest) minus 2.89% (120% AFR rate)) for 2012. The amounts shown in this column differ from the amounts shown for the Halliburton Company Supplemental Executive Retirement Plan in the 2012 Nonqualified Deferred Compensation table under the Aggregate Earnings in Last Fiscal Year column because the 2012 Nonqualified Deferred Compensation table includes all earnings and losses, and the Summary Compensation Table shows above-market earnings only.

NEOs earned above-market earnings for their balances associated with the Halliburton Company Supplemental Executive Retirement Plan as follows: $143,958 for Mr. Lesar; $29,083 for Mr. McCollum; $32,125 for Mr. Brown; and $26,486 for Mr. Probert. Mr. Miller received his first award under the Supplemental Executive Retirement Plan on December 31, 2012 and, therefore, he did not receive any earnings during 2012.

Halliburton Company Benefit Restoration Plan Above-Market Earnings. In accordance with the plan document, participants earn monthly interest at the 120% AFR rate, provided the interest rate shall be no less than 6% per annum or greater than 10% per annum. Because the 120% AFR rate was below the 6%

minimum interest threshold, the above-market earnings associated with this plan were 3.11% (6% (plan interest earned in 2012) minus 2.89% (120% AFR rate)) for 2012. The amounts shown in this column differ from the amounts shown for the Halliburton Company Benefit Restoration Plan in the 2012 Nonqualified Deferred Compensation table in Section 4 of Part III to this Prospectus under the Aggregate Earnings in Last Fiscal Year column because the 2012 Nonqualified Deferred Compensation table includes all earnings and losses, and the Summary Compensation Table within this paragraph 15.10 shows above-market earnings only.

NEOs earned above-market earnings for their balances associated with the Halliburton Company Benefit Restoration Plan as follows: $72,442 for Mr. Lesar; $6,663 for Mr. McCollum; $5,579 for Mr. Brown; $1,126 for Mr. Miller; and $7,531 for Mr. Probert.

Halliburton Company Elective Deferral Plan Above-Market Earnings. The average earnings for the balances associated with the Halliburton Company Elective Deferral Plan were 7.30% for 2012. The above-market earnings associated with this plan equaled 4.41% (7.30% minus 2.89% (120% AFR rate)) for 2012. The amounts shown in this column differ from the amounts shown for the Halliburton Company Elective Deferral Plan in the 2012 Nonqualified Deferred Compensation table in Section 4 of Part III of this Prospectus under the Aggregate Earnings in Last Fiscal Year column because the 2012 Nonqualified Deferred Compensation table includes all earnings and losses, and the Summary Compensation Table within this paragraph 15.10 shows above-market earnings only.

Messrs. Lesar, Brown, and Probert earned above-market earnings for balances associated with the Halliburton Company Elective Deferral Plan as follows: $40,552 for Mr. Lesar; $43,569 for Mr. Brown; and $110,340 for Mr. Probert. Messrs. McCollum and Miller are not participants in the Halliburton Company Elective Deferral Plan and do not have any prior balances in the plan.

All Other Compensation. Detailed information for items listed in the All Other Compensation column can be found in the following supplemental table entitled Supplemental Table: All Other Compensation.

SUPPLEMENTAL TABLE: ALL OTHER COMPENSATION

The following table details the components of the All Other Compensation column of the Summary Compensation Table located above for 2012.

Name	Employee Physical ($)	Financial Planning ($)	Halliburton Foundation ($)	Halliburton Giving Choices ($)	HALPAC ($)	Restricted Stock Dividends ($)	HRSP Employer Match ($)	HRSP Basic Contribution ($)	Benefit Restoration Plan ($)	SERP ($)	All Other ($)	Total ($)
David J. Lesar	0	15,000	100,000	1,000	5,000	152,513	12,500	10,000	115,200	714,000	481,632	1,606,845
Mark A. McCollum ..	0	0	40,000	1,000	5,000	34,713	12,394	10,000	36,990	259,000	5,955	405,052
James S. Brown	0	8,000	0	600	4,969	136,209	12,239	10,000	34,470	488,000	30,970	725,457
Jeffrey A. Miller.....	2,278	0	0	375	5,000	55,616	11,865	10,000	15,750	234,000	43,672	378,556
Timothy J. Probert...	567	0	0	756	5,000	36,137	9,653	10,000	34,470	336,000	987	433,570

Employee Physical. The Employee Physical Program provides NEOs the opportunity to have an annual physical examination to encourage an ongoing habit of health and wellness. Participation in the program is strictly voluntary. The amount shown is based on the value of services the NEO received less any medical insurance covered benefits.

Financial Planning. This program allows NEOs to receive financial planning services by accredited financial planners. Tax planning is not covered under this program. The amount is based on the services the NEO received in 2012. If they do not utilize the program, the amount is forfeited.

Halliburton Foundation. The Halliburton Foundation allows NEOs and other employees to donate to approved universities, medical hospitals and primary schools of their choice. The Halliburton Foundation matches donations, up to $20,000 on a two-for-one basis. Mr. Lesar participates in the Halliburton Foundation's matching program for Directors, which allows his contributions up to $50,000 to qualified organizations to be matched on a two-for-one basis.

Halliburton Giving Choices. The Halliburton Giving Choices Program allows NEOs and other employees to donate to approved not-for-profit charities of their choice. We match donations by contributing ten cents for every dollar contributed by employees up to a maximum of $1,000. The amounts shown represent the match amounts the program donated to charities on behalf of the NEOs in 2012.

Halliburton Political Action Committee. The Halliburton Political Action Committee allows NEOs and other eligible employees to donate to political candidates and participate in the political process. We match the donation dollar-for-dollar to a 501(c)(3) status nonprofit organization of the contributor's choice. The amounts shown represent the match amounts the program donated to charities on behalf of the NEOs in 2012.

Restricted Stock Dividends. This is the amount of dividends paid on restricted stock held by NEOs in 2012.

Halliburton Retirement and Savings Plan Employer Match. The amount shown is the contribution we made on behalf of each NEO to the Halliburton Company Retirement and Savings Plan, our defined contribution plan. We match up to 5% of each employee's eligible base salary, up to the 401(a)(17) compensation limit of $250,000 in 2012.

Halliburton Retirement and Savings Plan Basic Contribution. This is the contribution we made on behalf of each NEO to the Halliburton Company Retirement and Savings Plan. If actively employed on December 31, 2012, each employee receives a contribution equal to 4% of their eligible base pay, up to the 401(a)(17) compensation limit of $250,000 in 2012.

Halliburton Company Benefit Restoration Plan. This is the award earned under the Halliburton Company Benefit Restoration Plan in 2012. The plan provides a vehicle to restore qualified plan benefits which are reduced as a result of limitations on contributions imposed under the Internal Revenue Code or due to participation in other plans we sponsor and to defer compensation that would otherwise be treated as excessive employee remuneration within the meaning of Section 162(m) of the Internal Revenue Code. Associated interest, awards, and beginning and ending balances for the Halliburton Company Benefit Restoration Plan are included in the 2012 Nonqualified Deferred Compensation table in Section 4 of Part III of this Prospectus. Above-market interest earned on these awards and associated balances are shown in the Summary Compensation Table in this paragraph 15.10 under the Change in Pension Value and NQDC Earnings column.

Halliburton Company Supplemental Executive Retirement Plan. These are awards approved under the Halliburton Company Supplemental Executive Retirement Plan as discussed in the Supplemental Executive Retirement Plan section of the Compensation Discussion and Analysis. Awards are approved by our Compensation Committee annually. The SERP provides a competitive level of pay replacement for key executives upon retirement. Associated interest, awards and beginning and ending balances for the Halliburton Company Supplemental Executive Retirement Plan are included in the 2012 Nonqualified Deferred Compensation table in Section 4 of Part III of this Prospectus.

All Other.

- *Country Club Membership Dues.* The amount is based on the monthly membership fees. Club memberships are approved for business purposes only. During 2012, we paid club membership dues for Messrs. Brown and Miller. The amounts incurred were $30,970 for Mr. Brown and $8,456 for Mr. Miller.
- *Aircraft Usage.* Mr. Lesar his spouse and children use our aircraft for all travel for security reasons as directed by the Board. The incremental cost to us for his personal use of our aircraft in 2012 was $343,534. Other than Mr. Lesar, no other NEO used our aircraft for personal use in 2012. For total compensation purposes in 2012, we valued the incremental cost of the personal use of aircraft using a method that takes into account: landing, parking, hanger fees, flight planning services and dead-head costs; crew travel expenses; supplies and catering; aircraft fuel and oil expenses per hour of flight; any customs, foreign permit and similar fees; and passenger ground transportation. Spouses are allowed to travel on select business trips when there is a valid business reason. We impute income to the NEO for the value of the spousal trip and make a payment to offset the tax impact of the imputed income. For 2012, Mr. Lesar had imputed income from spousal travel for business purposes and an associated tax payment as follows: $34,107 imputed income and $19,563 tax payment.
- *Home Security.* We provide security for residences based on a risk assessment which considers the NEO's position. In 2012, home security was provided for the residences of Messrs. Lesar, McCollum, Miller and Probert as follows: $32,761 for Mr. Lesar; $5,955 for Mr. McCollum; $35,216 for Mr. Miller; and $987 for Mr. Probert.
- *Car/Driver.* A car and driver have been assigned to Mr. Lesar while in the United States so that he can work while in transit to allow him to meet customer and our needs. The amount has been determined by his average commute time multiplied by his driver's hourly rate. The cost to us was $14,954 in 2012. In addition, Mr. Lesar is provided with a car and driver in Dubai. The cost to us was $1,741 in 2012.

- *Other Compensation for Mr. Lesar.* In 2012, Mr. Lesar received $20,222 in imputed income for relocation, $11,516 for tax equalization; and $3,234 in imputed income for excess benefits.

Retirement benefits. Total amounts set aside or accrued in 2012 to provide pension, retirement, or similar benefits for Halliburton's named executive officers was $2,376,531. Directors do not participate in retirement plans sponsored by the Company.

15.11 Employment Contracts and Change-in-Control Arrangements

Employment Contracts

Messrs. Lesar, McCollum, Brown, Miller, and Probert have employment agreements with us. Under the terms of Mr. Lesar's agreement, a termination for cause is a termination for (i) gross negligence or willful misconduct in the performance of his duties and responsibilities, or (ii) a conviction of a felony. In the event we terminate Mr. Lesar for any reason other than termination for cause, we are obligated to pay Mr. Lesar a severance payment equal to (i) the value of any restricted shares that are forfeited because of termination, and (ii) five times his annual base salary.

Under the terms of the agreements with Messrs. McCollum, Brown, Miller, and Probert, the reasons for termination of employment (other than death) are defined as follows:

(i) Retirement means either (a) retirement at or after normal retirement at age 65 (either voluntarily or under our retirement policy), or (b) voluntary termination of employment in accordance with our early retirement policy for other than a Good Reason. "Good Reason" means a termination of employment by employee because of (a) our material breach of any material provision of the employment agreement, or (b) a material reduction in employee's rank or responsibility with us, provided that (i) employee provides written notice to us of the circumstances employee claims constitute "Good Reason" within ninety calendar days of the first to occur of such circumstances, (ii) such breach remains uncorrected for thirty calendar days following written notice, and (iii) employee's termination occurs within 180 calendar days after the date that the circumstances employee claims constitute Good Reason first occurred.

(ii) Permanent disability means the employee's physical or mental incapacity to perform his or her usual duties with such condition likely to remain continuously and permanently as reasonably determined by the Compensation Committee in good faith.

(iii) Voluntary termination means a termination of employment in the sole discretion and at the election of the employee for other than Good Reason.

(iv) Termination for cause means our termination of employee's employment for Cause. "Cause" means any of the following: (a) employee's gross negligence or willful misconduct in the performance of the duties and services required of the employee; (b) employee's final conviction of a felony; (c) a material violation of our Code of Business Conduct; or (d) employee's material breach of any material provision of his or her employment agreement which remains uncorrected for thirty days following our written notice of such breach to employee.

If the employment of Messrs. McCollum or Brown terminates for any reason other than death, retirement (either at age 65 or voluntarily prior to age 65), permanent disability, voluntary termination or termination for cause, the executive is entitled to each of the following:

- At the Committee's election, either the retention of all restricted shares following termination or a payment equal to the value of any restricted shares that are forfeited because of termination;
- A payment equal to two years' base salary;
- Any unpaid amounts earned under the Annual Performance Pay Plan in prior years; and
- Any amount payable for the year under the Annual Performance Pay Plan in which his employment is terminated determined as if he had remained employed for the full year.

If the employment of Messrs. Miller or Probert terminates for any reason other than death, retirement (either at age 65 or voluntarily prior to age 65), permanent disability, voluntary termination or termination for cause, the executive is entitled to each of the following:

- A payment equal to two years' base salary; and
- A single lump sum cash payment equal to the value of any restricted shares that are forfeited because of termination. The payout is contingent upon compliance with a non-compete agreement

and subject to vesting restrictions.

Change-In-Control Arrangements

We do not maintain individual change-in-control agreements or provide for tax gross-ups on any payments associated with a change-in-control. Some of our compensation plans, however, contain change-in-control provisions, which could result in payment of specific benefits.

Under the Stock and Incentive Plan, in the event of a change-in-control, the following will occur automatically:

- any outstanding options and stock appreciation rights shall become immediately vested and fully exercisable;
- any restrictions on restricted stock awards shall immediately lapse;
- all performance measures upon which an outstanding performance award is contingent are deemed achieved and the holder receives a payment equal to the maximum amount of the award he or she would have been entitled to receive, pro-rated to the effective date; and
- any outstanding cash awards including, but not limited to, stock value equivalent awards, immediately vest and are paid based on the vested value of the award.

Under the Annual Performance Pay Plan:

- in the event of a change-in-control during a plan year, a participant will be entitled to an immediate cash payment equal to the maximum dollar amount he or she would have been entitled to for the year, prorated through the date of the change-in-control; and
- in the event of a change-in-control after the end of a plan year but before the payment date, a participant will be entitled to an immediate cash payment equal to the incentive earned for the plan year.

Under the Performance Unit Program:

- in the event of a change-in-control during a performance cycle, a participant will be entitled to an immediate cash payment equal to the maximum amount he or she would have been entitled to receive for the performance cycle, pro-rated to the date of the change-in-control; and
- in the event of a change-in-control after the end of a performance cycle but before the payment date, a participant will be entitled to an immediate cash payment equal to the incentive earned for that performance cycle.

Under the Employee Stock Purchase Plan, in the event of a change-in-control, unless the successor corporation assumes or substitutes new stock purchase rights:

- the purchase date for the outstanding stock purchase rights will be accelerated to a date fixed by the Compensation Committee prior to the effective date of the change-in-control; and
- upon such effective date, any unexercised stock purchase rights will expire and we will refund to each participant the amount of his or her payroll deductions made for purposes of the Employee Stock Purchase Plan, which has not yet been used to purchase stock.

16. BOARD PRACTICES

16.1 Corporate Governance

Except as otherwise provided by statute, the Company's By-laws provide that all members of the Board of Directors are elected annually at the annual meeting of stockholders by the vote of the majority of votes cast (unless the number of nominees exceeds the number of Directors to be elected, in which event the Directors are elected by the vote a plurality of the shares represented in person or by proxy at the meeting and entitled to vote on the election of Directors) and shall hold office until the next annual meeting and until their successors are duly elected and qualified. A majority of the votes casts means that the number of shares voted "for" a Director must exceed the number of votes cast "against" that Director; abstentions will be ignored.

The Nominating and Corporate Governance Committee, in consultation with the Chief Executive Officer, review each Director's continuation on the Board annually in making its recommendation to the Board concerning his or her nomination for election or reelection as a Director.

The Corporate Governance Guidelines of the Company provide that each incumbent Director nominee prior to being nominated for election or reelection will have signed and delivered to the Board an irrevocable letter of resignation that is deemed tendered as of the date of the certification of the election results for any Director who fails to achieve a majority of the votes cast at an election of Directors. The letter of resignation will be limited to and conditioned on that Director failing to achieve a majority of the votes cast at an election of Directors and such resignation shall only be effective upon acceptance by the Board of Directors.

If an incumbent Director fails to achieve a majority of the votes cast, the Nominating and Corporate Governance Committee will make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. The Board will act on the Nominating and Corporate Governance Committee's recommendation considering all factors that the Board believes to be relevant and will publicly disclose its decision within 90 days from the date of the certification of the election results. The resignation, if accepted by the Board, will be effective at the time of the Board of Director's determination to accept the resignation.

Corporate Governance Guidelines and Committee Charters

Our Board has long maintained a formal statement of its responsibilities and corporate governance guidelines to ensure effective governance in all areas of its responsibilities. Our corporate governance guidelines, as revised in January 2013, are attached as Appendix A to Halliburton's proxy statement at Section 4 and are also available on our website at www.halliburton.com by clicking on the tab "Investors," and then the "Corporate Governance" link. The Guidelines are reviewed periodically and revised as appropriate to reflect the dynamic and evolving processes relating to corporate governance, including the operation of the Board.

In order for our stockholders to understand how the Board conducts its affairs in all areas of its responsibility, the full text of the charters of our Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees are also available on our website.

Except to the extent expressly stated otherwise, information contained on or accessible from our website or any other website is not incorporated by reference into and should not be considered part of Halliburton's proxy statement at Section 4.

Code of Business Conduct

Our Code of Business Conduct, which applies to all of our employees and Directors and serves as the code of ethics for our principal executive officer, principal financial officer, principal accounting officer or controller, and other persons performing similar functions, is available on our website. Any waivers to our code of ethics for our executive officers can only be made by our Audit Committee. There were no waivers of the code of ethics in 2012.

16.2 The Board of Directors and Standing Committees Of Directors

The Board has standing Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees. Each of the standing committees are comprised of non-employee Directors, and in the business judgment of the Board, all of the non-employee Directors are independent, after considering all relevant facts and circumstances, as well as the independence standards set forth in our corporate governance guidelines. Our corporate governance guidelines are attached as Appendix A to Halliburton's proxy statement at Section 4 and are also available on our website at www.halliburton.com.

Our independence standards meet, and in some instances exceed, the NYSE's, independence requirements. Our definition of independence and compliance with our independence standards is periodically reviewed by the Nominating and Corporate Governance Committee. There were no transactions, relationships or arrangements not disclosed in Halliburton's proxy statement at Section 4 that were considered by the Board in making its determination as to the independence of the Directors.

Board Leadership

Our By-laws provide that the Board should have the flexibility to determine the appropriate leadership of the Board, and whether the roles of Chairman and Chief Executive Officer should be combined or

separate. After review and discussion, our Board has decided that a combined leadership role would best serve the needs of the Company and its stockholders. The Board believes that David J. Lesar, our current Chairman and Chief Executive Officer, with his industry expertise, financial expertise, and in-depth knowledge of Halliburton and its business, is the correct person to fill both roles.

Lead Independent Director

In order to help ensure independent Board leadership and oversight, the Board has elected Mr. Martin as our Lead Independent Director. Mr. Martin's role and responsibilities are set forth in the Lead Independent Director Charter adopted by the Board and include presiding over the executive sessions of the non-employee Directors and executive sessions of the independent Directors. Mr. Martin also advises management on and approves the agenda items to be considered at meetings of the Board. With the exception of our Chairman and Chief Executive Officer, Mr. Lesar, the Board is composed of independent Directors. Our Lead Independent Director Charter can be found on our website at www.halliburton.com.

Independent Committees

As a governance best practice, key committees of the Board are comprised solely of independent Directors. We have established processes for the effective oversight of critical issues entrusted to independent Directors, such as:

- the integrity of our financial statements;
- CEO and senior management compensation;
- CEO and senior management succession planning;
- the election of our Lead Independent Director;
- membership of our Independent Committees;
- Board, Committee and Director evaluations; and
- nominations for Directors.

The Board believes it has a strong governance structure in place to ensure independent oversight on behalf of all stockholders.

Board Risk Oversight

We have implemented an Enterprise Risk Management system to identify and analyze enterprise level risks and their potential impact on us. At least annually, our Senior Vice President and Treasurer reports to the Audit Committee of the Board on our processes with respect to risk assessment and risk management. Our executive officers are assigned responsibility for the various categories of risk, with the Chief Executive Officer being ultimately responsible to the Board for all risk categories. The responsibility of the Chief Executive Officer for all risk matters is consistent with his being primarily responsible for managing our day-to-day business.

Stockholder Communication

To foster better communication with our stockholders, we established a process for stockholders to communicate with the Audit Committee and the Board. The process has been approved by both the Audit Committee and the Board, and meets the requirements of the NYSE and the SEC. The methods of communication with the Board include telephone, mail and e-mail.

Our Director of Business Conduct, an employee, reviews all stockholder communications directed to the Audit Committee and the Board. The Chairman of the Audit Committee is promptly notified of any substantive communication involving accounting, internal accounting controls, or auditing matters. The Lead Independent Director is promptly notified of any other significant stockholder communications, and any board related matters which are addressed to a named Director are promptly sent to that Director. Copies of all communications are available for review by any Director. It should be noted, some items will not be forwarded to the Board such as advertisements, business solicitations, junk mail, resumes, or any communication that is overly hostile, threatening or illegal. Concerns may be reported anonymously or confidentially. Confidentiality shall be maintained unless disclosure is:

- required or advisable in connection with any governmental investigation or report;
- in the interests of Halliburton, consistent with the goals of our Code of Business Conduct; or
- required or advisable in our legal defense of the matter.

Information regarding these methods of communication is also on our website at www.halliburton.com.

Members of the Committees of the Board of Directors

Members of the Committees of the Board of Directors				
Director	**Audit Committee**	**Compensation Committee**	**Health, Safety and Environment**	**Nominating and Corporate Governance Committee**
Alan M. Bennett	X*			X
James R. Boyd	X	X*		
Milton Carroll		X		X
Nance K. Dicciani	X		X	
Murry S. Gerber	X	X		
José C. Grubisich	X		X	
Abdallah S. Jum'ah			X	X
Robert A. Malone		X	X	
J. Landis Martin			X	X
Debra L. Reed		X		X*

* Chairman

16.2.1 Audit Committee

The Audit Committee's responsibilities include:

- Recommending to the Board the appointment of the independent public accounting firm to audit our financial statements (the "principal independent public accountants");
- Together with the Board, being responsible for the appointment, compensation, retention and oversight of the work of the principal independent public accountants;
- Reviewing the scope of the principal independent public accountants' examination and the scope of activities of the internal audit department;
- Reviewing our financial policies and accounting systems and controls;
- Reviewing financial statements; and
- Approving the services to be performed by the principal independent public accountants.

The Board has determined that Alan M. Bennett, James R. Boyd, Nance K. Dicciani, and Murry S. Gerber and are independent under our corporate governance guidelines and are "audit committee financial experts" as defined by the SEC. A copy of the Audit Committee Charter is available on our website at www.halliburton.com.

16.2.2 Compensation Committee

The Compensation Committee's responsibilities include:

- Overseeing the effectiveness of our compensation program in attracting, retaining and motivating key employees;
- Utilizing our compensation program to reinforce business strategies and objectives for enhanced stockholder value;
- Administering our compensation program, including our incentive plans, in a fair and equitable manner consistent with established policies and guidelines;
- Developing an overall executive compensation philosophy and strategy; and
- Additional roles and activities with respect to executive compensation as described under Compensation Discussion and Analysis.

A copy of the Compensation Committee Charter is available on our website at www.halliburton.com.

16.2.3 Health, Safety and Environment Committee

The Health, Safety and Environment Committee's responsibilities include:

- Reviewing and assessing Halliburton's health, safety and environmental policies and practices;

- Overseeing the communication and implementation of, and reviewing our compliance with, these policies as well as applicable goals and legal requirements; and

A copy of our Health, Safety and Environment Committee Charter is available on our website at www.halliburton.com.

16.2.4 Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee's responsibilities include:

- Reviewing and recommending revisions to our corporate governance guidelines;
- Overseeing our Director self-evaluation process and performance reviews;
- Identifying and screening candidates for Board and committee membership;
- Reviewing the overall composition profile of the Board for the appropriate mix of skills, characteristics, experience and expertise; and
- Reviewing and making recommendations on Director compensation practices.

A copy of our Nominating and Corporate Governance Committee Charter is available on our website at www.halliburton.com.

Stockholder Nominations of Directors

Stockholders may nominate persons for election to the Board at a meeting of stockholders in the manner provided in our By-laws, which include a requirement to comply with certain notice procedures. Nominations shall be made pursuant to written notice to the Vice President and Corporate Secretary at the address of our principal executive offices set forth on page 1 of our 2013 Proxy Statement located at Section 4 of Part III of this Prospectus, and, for the Annual Meeting of Stockholders in 2014, must be received at our principal executive offices not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the 2013 Annual Meeting of Stockholders, or no later than February 14, 2014 and no earlier than January 15, 2014.

The stockholder notice must contain, among other things, certain information relating to the stockholder and the proposed nominee as described in our By-laws. In addition, the proposed nominee may be required to furnish other information as we may reasonably require to determine the eligibility of the proposed nominee to serve as a Director. With respect to any proposed nominee nominated in accordance with Section 6 of our By-laws by a stockholder of record owning at least 1% of our issued and outstanding voting stock continuously for at least one year as of the date the written notice of the nomination is submitted to us, our Vice President and Corporate Secretary will (i) obtain from such nominee any additional relevant information the nominee wishes to provide in consideration of his or her nomination, (ii) report on each such nominee to the Nominating and Corporate Governance Committee and (iii) facilitate having each such nominee meet with the Nominating and Corporate Governance Committee as the committee deems appropriate.

Qualifications of Directors

Candidates nominated for election or reelection to the Board should possess the following qualifications:

- Personal characteristics:
  - high personal and professional ethics, integrity and values;
  - an inquiring and independent mind;
  - practical wisdom and mature judgment;
- Broad training and experience at the policy-making level in business, government, education or technology;
- Expertise that is useful to Halliburton and complementary to the background and experience of other Board members, so that an optimum balance of members on the Board can be achieved and maintained;
- Willingness to devote the required amount of time to carrying out the duties and responsibilities of Board membership;
- Commitment to serve on the Board for several years to develop knowledge about Halliburton's principal operations;
- Willingness to represent the best interests of all of Halliburton's stockholders and objectively appraise management performance; and
- Involvement only in activities or interests that do not create a conflict with the Director's responsibilities to Halliburton and its stockholders.

The Nominating and Corporate Governance Committee is responsible for assessing the appropriate mix of skills and characteristics required of Board members in the context of the needs of the Board at a given point in time and shall periodically review and update the criteria. In selecting Director nominees, the Board first considers the personal characteristics, experience and other criteria as set forth in Halliburton's Corporate Governance Guidelines. Halliburton also identifies nominees based on the specific needs of the Company and the Board at the time a nominee is sought. Halliburton values all types of diversity, including diversity of its Board of Directors. In evaluating the overall mix of qualifications for a potential nominee, the Board also takes into account overall Board diversity in personal background, race, gender, age and nationality. In considering whether current Directors should be nominated for reelection to the Board, the Nominating and Corporate Governance Committee and the Board will also consider the non-employee Directors' annual assessment of the Board and annual performance review.

Process for the Selection of New Directors

The Board is responsible for filling vacancies on the Board. The Board has delegated to the Nominating and Corporate Governance Committee the duty of selecting and recommending prospective nominees to the Board for approval. The Nominating and Corporate Governance Committee considers suggestions of candidates for Board membership made by current Board members, Halliburton management, and stockholders. A stockholder who wishes to recommend a prospective candidate should notify our Vice President and Corporate Secretary. The Committee may retain an independent executive search firm to identify and/or assist in evaluating candidates for consideration. The Committee retained the executive search firm, Spencer Stuart, who conducted a director search and identified José C. Grubisich. Mr. Grubisich was elected to the Board on March 20, 2013.

When the Nominating and Corporate Governance Committee identifies a prospective candidate, the Committee determines the appropriate method to evaluate the candidate. This determination is based on the information provided to the Committee by the person recommending the prospective candidate, and the Committee's knowledge of the candidate. This information may be supplemented by inquiries to the person who made the recommendation or to others. The preliminary determination is based on the need for additional Board members to fill vacancies or to expand the size of the Board, and the likelihood that the candidate will meet the Board membership criteria listed above. The Committee will determine, after discussion with the Chairman of the Board and other Board members, whether a candidate should continue to be considered as a potential nominee. If a candidate warrants additional consideration, the Committee may request an independent executive search firm to gather additional information about the candidate's background, experience and reputation, and to report its findings to the Committee. The Committee then evaluates the candidate and determines whether to interview the candidate. One or more members of the Committee and others as appropriate then conduct the interviews. Once the evaluation and interviews are completed, the Committee recommends to the Board which candidates should be nominated. The Board makes a determination of nominees after review of the recommendation and the Committee's report.

16.3 Compliance

Halliburton is in compliance with the corporate governance regime of the USA. Among the corporate governance codes applicable to Halliburton are Delaware corporate law, United States federal regulations, NYSE listing requirements, and Halliburton's internal corporate governance code.

17. EMPLOYEES

The information included in this paragraph 17 is provided as of the most recent practicable date. Any further information that is relevant to this paragraph 17 and arises following the date of this Prospectus shall be disclosed in a supplementary prospectus to this document in accordance with the Prospectus Rules.

17.1 Employees

At March 31, 2013 we employed over 73,000 people worldwide. At December 31, 2012, we employed approximately 73,000 people worldwide compared to approximately 68,000 at December 31, 2011. At December 31, 2012, approximately 16% of our employees were subject to collective bargaining agreements. Based upon the geographic diversification of these employees, we do not believe any risk of loss from employee strikes or other collective actions would be material to the conduct of our operations taken as a whole.

The following table provides the percentage of employees affiliated with our geographic regions.

	December 31		
	2012	**2011**	**2010**
North America	32%	34%	31%
Latin America	15	13	13
Europe/Africa/CIS	19	19	21
Middle East/Asia	16	15	16
Other non-country (1)	18	19	19

(1) Includes global functions and other employees who are not assigned to countries, such as those within the supply chain function.

The following table provides the percentage of employees affiliated with our business segments.

	December 31		
	2012	**2011**	**2010**
Completion and Production	38%	39%	37%
Drilling and Evaluation	37	37	38
Other support (1)	25	25	25

(1) Includes employees who support global functions.

17.2 Options and Common Stock held by Directors and all executive officers

The following table sets forth, as of March 11, 2013, the amount of our Common Stock owned beneficially by each Director, each Director Nominee, each of the executive officers named in the Summary Compensation Table located at paragraph 15.10 of this Prospectus and all Directors, Director Nominees and executive officers as a group.

	Amount and Nature of Beneficial Ownership		
Name of Beneficial Owner or Number of Persons in Group	Sole Voting and Investment Power[1],[2]	Shared Voting or Investment Power	Percent of Class
Alan M. Bennett	27,236		*
James R. Boyd	47,236		*
James S. Brown	523,869		*
Milton Carroll	20,271		*
Nance K. Dicciani	19,843		*
Murry S. Gerber	32,000		*
S. Malcolm Gillis	28,762		*
José C. Grubisich	—		
Abdallah S. Jum'ah	9,126		*
David J. Lesar	1,505,940	133,565[3]	*
Robert A. Malone	14,843		*
J. Landis Martin	96,764 [4]		*
Mark A. McCollum	278,962		*
Jeffrey A. Miller	265,243		*
Timothy J. Probert	360,481		*
Debra L. Reed	33,562	500[5]	*
Shares owned by all current Directors, Director Nominees and executive officers as a group (20 persons)	4,286,090		*

* Less than 1% of shares outstanding.

(1) The table includes shares of Common Stock eligible for purchase pursuant to outstanding stock options within 60 days of March 11, 2013 for the following: Mr. Brown - 123,533; Mr. Lesar - 837,100; Mr. McCollum - 114,301; Mr. Miller - 31,468; Mr. Probert - 161,687; and five unnamed executive officers - 379,945. Until the options are exercised, these individuals will not have voting or investment power over the underlying shares of Common Stock, but will only have the right to acquire beneficial ownership of the shares through exercise of their respective options. The table also includes restricted shares of Common Stock over which the individuals have voting power but no investment power.

(2) The table does not include restricted stock units (RSUs) held by non-employee Directors or stock equivalent units (SEUs) held by non-employee Directors under the Directors' Deferred Compensation Plan for the following (RSUs/SEUs): Mr. Bennett - 5,300 / 12,482; Mr. Boyd - 5,300 / 23,273; Mr. Carroll - 5,300 / 19,211; Ms. Dicciani - 5,300 / 5,324; Mr. Gerber - 5,272 / 0; Dr. Gillis - 5,300 / 0; Mr. Jum'ah - 5,300 / 0; Mr. Malone - 5,272 / 0; Mr. Martin - 5,300 / 0; Ms. Reed - 5,300 / 9,284. Mr. Grubisich was awarded 1,630 RSUs in connection with his election to the Board on March 20, 2013. Until the underlying shares of Common Stock are distributed with respect to the RSUs or SEUs, non-employee Directors will not have voting or investment power over such shares. No shares of Common Stock with respect to RSUs will be distributed within 60 days of March 11, 2013, unless the Board in its discretion vests the RSUs upon a non-employee Director's separation of service from the Board. No shares of Common Stock with respect to SEUs will be distributed within 60 days of March 11, 2013 because such shares are distributed in January of the year following the year the non-employee Director has a separation of service from the Board.

(3) Shares held by Mr. Lesar's spouse. Mr. Lesar disclaims the beneficial ownership of these shares.

(4) Includes 61,602 shares held by Martin Enterprises LLC. Mr. Martin is the sole manager, and Mr. Martin and trusts (of which Mr. Martin is the sole trustee) formed solely for the benefit of his children are the sole members, of Martin Enterprises LLC.

(5) Shares held by Ms. Reed's spouse in an Individual Retirement Account.

All options granted under the Stock and Incentive Plan are granted at the fair market value of the Common Stock on the grant date and generally expire ten years from the grant date. During employment, options vest over a three-year period, with one-third of the shares becoming exercisable on each of the first, second and third anniversaries of the grant date. The options granted to designated executives are transferable by gift to individuals and entities related to the optionee, subject to compliance with guidelines adopted by the Compensation Committee.

GRANTS OF PLAN-BASED AWARDS IN FISCAL 2012

The following table represents amounts associated with the 2012 cycle Performance Unit Program, the 2012 Annual Performance Pay Plan, and restricted stock and stock option awards granted in 2012 to our NEOs.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Share)	Grant Date Fair Value of Stock and Option Awards ($)
		Threshold ($)	Target ($)	Maximum ($)				
David J. Lesar		1,994,200	3,988,400	7,976,800 (1)				
		856,800	2,142,000	4,284,000 (2)				
	12/05/2012				150,900			5,055,150
	12/05/2012					208,900	33.50	2,602,894
Mark A. McCollum ..								
		467,000	934,000	1,868,000 (1)				
		237,960	594,900	1,189,800 (2)				
	12/05/2012				31,900			1,068,650
	12/05/2012					44,100	33.50	549,486
James S. Brown.....		614,000	1,228,000	2,456,000 (1)				
		253,200	633,000	1,266,000 (2)				
	12/05/2012				41,100			1,376,850
	12/05/2012					56,900	33.50	708,974
Jeffrey A. Miller								
		138,125	276,250	552,500 (1)				
		85,000	212,500	425,000 (2)				
	01/03/2012				9,000			307,350
	01/03/2012					11,500	34.15	148,005
	09/19/2012				50,000 (3)			1,820,500
	12/05/2012				55,800			1,869,300
	12/05/2012					77,200	33.50	961,912
Timothy J. Probert ..		614,000	1,228,000	2,456,000 (1)				
		253,200	633,000	1,266,000 (2)				
	12/05/2012				41,100			1,376,850
	12/05/2012					56,900	33.50	708,904

(1) Indicates opportunity levels under the 2012 cycle of the Performance Unit Program. The cycle will close on December 31, 2014.
(2) Indicates opportunity levels under the 2012 Halliburton Annual Performance Pay Plan.
(3) Mr. Miller received a special restricted stock award in recognition of his promotion to Executive Vice President and Chief Operating Officer. The shares vest 100% after five years.

As indicated by footnote (1), the opportunities for each NEO under the 2012 cycle Performance Unit Program if the Threshold, Target or Maximum levels are achieved are reflected under Estimated Future Payouts Under Non-Equity Incentive Plan Awards. This program measures our consolidated Return on Capital Employed as compared to our internal goals as well as relative to our comparator peer group utilized for the program during three-year cycles. The potential payouts are performance driven and completely at risk. For more information on the 2012 cycle Performance Unit Program, refer to Long-term Incentives in the Compensation Discussion and Analysis in paragraph 15.5 of this document.

As indicated by footnote (2), the opportunities for each NEO under the 2012 Halliburton Annual Performance Pay Plan are also reflected under Estimated Future Payouts Under Non-Equity Incentive Plan Awards. This plan measures company Cash Value Added, Net Operating Value Added, and Revenue as compared to our pre-established goals during a one-year period. The potential payouts are performance driven and completely at risk. For more information on the 2012 Halliburton Annual Performance Pay Program, refer to Short-term (Annual) Incentives in the Compensation Discussion and Analysis in paragraph 15.4 of this document.

All restricted stock and nonqualified stock option awards are granted under the Halliburton Company Stock and Incentive Plan. The awards listed under All Other Stock Awards: Number of Shares of Stock or Units and under All Other Option Awards: Number of Securities Underlying Options were awarded to each NEO on the date indicated by the Compensation Committee, with the exception of the January 3, 2012 grants to

Mr. Miller which were made prior to his appointment as an executive officer. With the exception of specific awards noted in footnote (3), the annual restricted stock grants awarded to the NEOs in 2012 are subject to a graded vesting schedule of 20% per year over 5 years. This vesting schedule serves to motivate our NEOs to remain employed with us. All restricted shares are priced at fair market value on the date of grant. Quarterly dividends and dividend equivalents are paid on the restricted shares at the same time and rate payable on our Common Stock, which was $0.09 per share during 2012 and was increased to $0.125 per share in March, 2013. The shares may not be sold, transferred or used as collateral until fully vested. The shares remain subject to forfeiture during the restricted period in the event of a NEO's termination of employment or an unapproved early retirement.

Nonqualified stock options granted in 2012 vest over a three-year graded vesting period with 33 1/3% of the grants vesting each year. All options are priced at the fair market value on the date of grant using the Black-Scholes options pricing model. There are no voting or dividend rights unless the NEO exercises the options and acquires the shares.

The Estimated Future Payouts Under Equity Incentive Plan Awards columns have been omitted because awards under the Performance Unit Program and Halliburton Annual Performance Pay Plan are expected to be paid in cash and are disclosed under Estimated Future Payouts Under Non-Equity Incentive Plan Awards.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END 2012

The following table represents outstanding stock option and restricted stock awards for our NEOs as of December 31, 2012.

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock Not Vested (#)	Market Value of Shares or Units of Stock Not Vested ($)
David J. Lesar[1]	12/07/2005	180,000	0	32.39	12/07/2015		
	12/06/2006	348,699	0	33.17	12/06/2016	33,750	1,170,788
	12/05/2007	110,700	0	36.90	12/05/2017		
	12/02/2008	87,716	0	15.42	12/02/2018	50,606	1,755,522
	12/01/2009	128,400	0	29.35	12/01/2019	42,000	1,456,980
	12/01/2010	72,000	36,000	39.19	12/01/2020	57,780	2,004,388
	12/06/2011	47,301	94,599	35.57	12/06/2021	88,000	3,052,720
	12/05/2012	0	208,900	33.50	12/05/2022	150,900	5,234,721
Total		974,816	339,499			423,036	14,675,119
Mark A. McCollum[2]	12/07/2005	7,000	0	32.39	12/07/2015		
	12/06/2006	13,400	0	33.17	12/06/2016	5,200	180,388
	12/05/2007	12,000	0	36.90	12/05/2017		
	02/13/2008	11,500	0	35.67	02/13/2018	2,060	71,461
	12/02/2008					9,740	337,881
	12/01/2009	40,600	0	29.35	12/01/2019	13,280	460,683
	12/01/2010	18,734	9,366	39.19	12/01/2020	15,000	520,350
	12/06/2011	11,067	22,133	35.57	12/06/2021	20,640	716,002
	12/05/2012	0	44,100	33.50	12/05/2022	31,900	1,106,611
Total		114,301	75,599			97,820	3,393,376
James S. Brown[3]	01/06/2006	6,000	0	33.03	01/06/2016		
	01/03/2007	13,400	0	29.87	01/03/2017	6,500	225,485
	02/13/2008	10,000	0	35.67	02/13/2018	2,000	69,380
	10/07/2008					68,838	2,387,990
	12/02/2008					9,600	333,024
	12/02/2008	16,566	0	15.42	12/02/2018	97,276	3,374,504
	12/01/2009	45,600	0	29.35	12/01/2019	14,920	517,575
	12/01/2010	17,400	8,700	39.19	12/01/2020	13,980	484,966
	05/18/2011					106,474	3,693,583
	12/06/2011	14,567	29,133	35.57	12/06/2021	27,120	940,793
	12/05/2012	0	56,900	33.50	12/05/2022	41,100	1,425,759

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock Not Vested (#)	Market Value of Shares or Units of Stock Not Vested ($)
Total		123,533	94,733			387,808	13,453,059
Jeffrey A. Miller[4]	01/06/2006	3,800	0	33.03	01/06/2016		
	01/03/2007	3,100	0	29.87	01/03/2017	1,500	52,035
	01/04/2008	4,400	0	38.01	01/04/2018	10,800	374,652
	12/15/2008					20,000	693,800
	01/02/2009	2,500	0	19.45	01/02/2019	2,840	98,520
	01/01/2010	7,200	3,600	30.09	01/01/2020	11,400	395,466
	01/01/2011	2,767	5,533	40.83	01/01/2021	10,000	346,900
	09/27/2011					50,000	1,734,500
	01/03/2012	0	11,500	34.15	01/03/2022	9,000	312,210
	09/19/2012					50,000	1,734,500
	12/05/2012	0	77,200	33.50	12/05/2022	55,800	1,935,702
Total		23,767	97,833			221,340	7,678,285
Timothy J. Probert[5]	01/29/2003					3,000	104,070
	03/16/2004	14,000	0	14.43	03/16/2014		
	04/07/2005	10,920	0	22.56	04/07/2015		
	01/06/2006	11,000	0	33.03	01/06/2016		
	01/03/2007	13,400	0	29.87	01/03/2017	6,500	225,485
	02/13/2008	8,400	0	35.67	02/13/2018	1,520	52,729
	12/02/2008	26,400	0	15.42	12/02/2018	5,080	176,225
	12/01/2009	45,600	0	29.35	12/01/2019	14,920	517,575
	12/01/2010	17,400	8,700	39.19	12/01/2020	13,980	484,966
	12/06/2011	14,567	29,133	35.57	12/06/2021	27,120	940,793
	12/05/2012	0	56,900	33.50	12/05/2022	41,100	1,425,759
Total		161,687	94,733			113,220	3,927,602

(1) Mr. Lesar's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the December 6, 2011 award, which vest in equal amounts over ten years.

(2) Mr. McCollum's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the December 6, 2006 award, which vests in equal amounts over ten years.

(3) Mr. Brown's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the January 3, 2007 award which vests in equal amounts over ten years, the October 7, 2008 restricted stock award which vests 100% on the fifth anniversary of the grant, the December 2, 2008 restricted stock award of 97,276 shares which begins vesting on the sixth anniversary of the award, at which time it vests 20% annually through year ten, and the May 18, 2011 restricted stock award which vests 100% on May 30, 2016.

(4) Mr. Miller's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the January 3, 2007 award which vests in equal amounts over ten years, and the December 15, 2008, September 27, 2011, and September 19,2012 awards, which vest 100% on the fifth anniversary of the grant.

(5) Mr. Probert's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the January 29, 2003 and January 3, 2007 awards which vest in equal amounts over ten years.

The nonqualified stock option awards listed under Option Awards include outstanding awards, exercisable and unexercisable, as of December 31, 2012.

The restricted stock awards under Stock Awards are the number of shares not vested as of December 31, 2012. The market value shown was determined by multiplying the number of unvested restricted shares at year end by the closing price of our Common Stock on the NYSE Composite Tape of $34.69 on December 31, 2012.

The Equity Incentive Plan Awards columns are intentionally omitted as this type of award is not utilized by us at this time.

The narratives under the Summary Compensation Table located at paragraph 15.10 and Grants of Plan-Based Awards at Fiscal Year End 2012 table located within this paragraph 17.2 contain additional information on stock option and restricted stock awards.

2012 OPTION EXERCISES AND STOCK VESTED

The following table represents stock options exercised and restricted shares that vested during fiscal year 2012 for our NEOs.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**
David J. Lesar	0	0	384,370	13,634,138
Mark A. McCollum	16,800	266,848	63,160	2,226,740
James S. Brown	0	0	61,720	2,196,255
Jeffrey A. Miller	0	0	8,820	304,758
Timothy J. Probert	0	0	54,560	1,948,394

The value realized for vested restricted stock awards was determined by multiplying the fair market value of the shares (closing market price of Common Stock on the NYSE on the vesting date) by the number of shares that vested. Shares vested on various dates throughout the year; therefore, the value listed represents the aggregate value of all shares that vested for each NEO in 2012.

17.3 Share ownership by employees

Details on share ownership by employees is as follows:

Under the terms of the Halliburton Company Stock and Incentive Plan ("SIP"), approximately 158 million shares of Common Stock have been reserved for issuance to employees and non-employee directors. At December 31, 2012, approximately 28 million shares were available for future grants under the SIP. The stock to be offered pursuant to the grant of an award under the SIP may be authorized but unissued common shares or treasury shares.

In addition to the provisions of the SIP, we also have stock-based compensation provisions under our Restricted Stock Plan for Non-Employee Directors and our Employee Stock Purchase Plan ("ESPP").

Each of the active stock-based compensation arrangements is discussed below.

Stock options

The majority of our options are generally issued during the second quarter of the year. All stock options under the SIP are granted at the fair market value of our Common Stock at the grant date. Employee stock options vest ratably over a three- or four-year period and generally expire 10 years from the grant date. Compensation expense for stock options is generally recognized on a straight line basis over the entire vesting period. No further stock option grants are being made under the stock plans of acquired companies.

The following table represents our stock options activity during 2012.

Stock Options	Number of Shares *(in millions)*	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term *(years)*	Aggregate Intrinsic Value *(in millions)*
Outstanding at January 1, 2012	14.9	$ 31.74		
Granted	4.8	32.20		
Exercised	(0.8)	18.65		
Forfeited/expired	(0.8)	36.88		
Outstanding at December 31, 2012	18.1	$ 32.23	6.7	$ 92
Exercisable at December 31, 2012	10.6	$ 30.38	5.2	$ 75

The total intrinsic value of options exercised was $12 million in 2012, $102 million in 2011, and $38 million in 2010. As of December 31, 2012, there was $65 million of unrecognized compensation cost, net of estimated forfeitures, related to nonvested stock options, which is expected to be recognized over a weighted average period of approximately two years.

Cash received from option exercises was $107 million during 2012, $160 million during 2011, and $102 million during 2010.

The fair value of options at the date of grant was estimated using the Black-Scholes option pricing model. The expected volatility of options granted was a blended rate based upon implied volatility calculated on actively traded options on our Common Stock and upon the historical volatility of our Common Stock. The expected term of options granted was based upon historical observation of actual time elapsed between date of grant and exercise of options for all employees. The assumptions and resulting fair values of options granted were as follows:

	Year Ended December 31		
	2012	2011	2010
Expected term (in years)	5.21	5.20	5.27
Expected volatility	46%	40%	40%
Expected dividend yield	0.99 – 1.24%	0.69 – 1.01%	0.99 – 1.71%
Risk-free interest rate	0.65 – 1.15%	0.93 – 2.29%	1.20 – 2.78%
Weighted average grant-date fair value per share	$ 11.99	$ 15.61	$ 9.94

Restricted stock

Restricted shares issued under the SIP are restricted as to sale or disposition. These restrictions lapse periodically over an extended period of time not exceeding 10 years. Restrictions may also lapse for early retirement and other conditions in accordance with our established policies. Upon termination of employment, shares on which restrictions have not lapsed must be returned to us, resulting in restricted stock forfeitures. The fair market value of the stock on the date of grant is amortized and charged to income on a straight-line basis over the requisite service period for the entire award.

Our Restricted Stock Plan for Non-Employee Directors (“Directors Plan”) allows for each non-employee director to receive an annual award of 800 restricted shares of Common Stock or, beginning in 2012, an annual award of 800 restricted stock units representing the right to receive shares of Common Stock as a part of their compensation. These awards have a minimum restriction period of six months, and, with respect to the restricted share awards, the restrictions lapse upon the earlier of mandatory director retirement at age 72 or early retirement from the Board after four years of service. With respect to the restricted stock unit awards, the restrictions lapse 25% annually over four years of service. If the non-employee director has made a timely election to defer receipt of the shares upon vesting, then the shares are distributed at the end of January in the year following the year of the non-employee director's mandatory retirement at age 72 or early retirement from the Board after four years of service in a single distribution or in annual installments over a 5- or 10-year period as elected by the director.

The fair market value of the stock on the date of grant is amortized over the lesser of the time from the grant date to age 72 or the time from the grant date to completion of four years of service on the Board. We

reserved 200,000 shares of Common Stock for issuance to non-employee directors, which may be authorized but unissued common shares or treasury shares. At December 31, 2012, 145,600 restricted shares and 8,000 restricted stock units had been issued to non-employee directors under this plan. There were 8,000 restricted stock units, and 7,200 shares and 8,000 shares of restricted stock awarded under the Directors Plan in 2012, 2011, and 2010. In addition, during 2012, our non-employee directors were awarded 44,720 restricted stock units under the SIP with the same terms and conditions as those described above for the Directors Plan, which are included in the table below.

The following table represents our SIP and Directors Plan restricted stock awards and restricted stock units granted, vested, and forfeited during 2012.

Restricted Stock	**Number of Shares *(in millions)***	**Weighted Average Grant-Date Fair Value per Share**
Nonvested shares at January 1, 2012	14.2	$ 33.45
Granted	5.7	32.17
Vested	(4.0)	32.24
Forfeited	(1.1)	34.77
Nonvested shares at December 31, 2012	14.8	$ 33.17

The weighted average grant-date fair value of shares granted during 2011 was $43.35 and during 2010 was $29.39. The total fair value of shares vested during 2012 was $126 million, during 2011 was $165 million, and during 2010 was $100 million. As of December 31, 2012, there was $357 million of unrecognized compensation cost, net of estimated forfeitures, related to nonvested restricted stock, which is expected to be recognized over a weighted average period of three years.

Employee Stock Purchase Plan

Under the ESPP, eligible employees may have up to 10% of their earnings withheld, subject to some limitations, to be used to purchase shares of our Common Stock. For the year ended December 31, 2012, the ESPP contained two six-month offering periods, commencing on January 1 and July 1. Beginning in 2013, the ESPP will have four three-month offering periods, commencing on January 1, April 1, July 1, and October 1 of each year. The price at which Common Stock may be purchased under the ESPP is equal to 85% of the lower of the fair market value of the Common Stock on the commencement date or last trading day of each offering period. Under this plan, 44 million shares of Common Stock have been reserved for issuance. They may be authorized but unissued common shares or treasury shares. As of December 31, 2012, 29.5 million shares have been sold through the ESPP.

The fair value of ESPP shares was estimated using the Black-Scholes option pricing model. The expected volatility was a one-year historical volatility of our Common Stock. The assumptions and resulting fair values were as follows:

	Offering period July 1 through December 31		
	2012	2010	2010
Expected term (in years)	0.5	0.5	0.5
Expected volatility	49%	34%	43%
Expected dividend yield	1.26%	0.70%	1.44%
Risk-free interest rate	0.15%	0.10%	0.21%
Weighted average grant-date fair value per share	$ 8.12	$ 12.57	$ 6.72

	Offering period January 1 through June 30		
	2012	2011	2010
Expected term (in years)	0.5	0.5	0.5
Expected volatility	50%	43%	48%
Expected dividend yield	1.05%	0.88%	1.15%
Risk-free interest rate	0.06%	0.20%	0.19%
Weighted average grant-date fair value per share	$ 9.82	$ 10.99	$ 8.81

18. MAJOR SHAREHOLDERS

The major shareholders do not have different voting rights attaching to their Common Stock. To the extent known to Halliburton it is not directly or indirectly owned or controlled. Based on SEC filings to date, no shareholder holds over five percent (5%) of the issued Common Stock other than BlackRock Inc., who has reported the information below:

Name and Address of Beneficial Owner	Amount of Beneficial Ownership	Percent of Class
BlackRock, Inc., 40 East 52nd Street, New York, NY 10022 USA	64,394,649	6.94

Halliburton is not aware of any arrangements between any major shareholders, the operation of which may at some future date result in a change in control of the Company.

19. RELATED PARTY TRANSACTIONS

The Company sells and purchases products and services from companies associated with certain officers or directors of the Company, none of which, singularly or in aggregate, is material to Halliburton. The related party transactions represented 0.1% of the turnover of Halliburton for the first quarter of 2013 and the year ended December 31, 2012. There were no material related party transactions effected by Halliburton, whether singularly or in aggregate, in any of the 2010, 2011, or 2012 financial years or in 2013 up to the date of this Prospectus.

20. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

20.1 Audited financial information for the year ended December 31, 2012 is contained within the consolidated financial statements in Section 1 of Part III of this document, in the Form 10-K.

20.2 Audited financial information for the year ended December 31, 2011 is contained within the consolidated financial statements in Section 2 of Part III of this document, in the Form 10-K.

20.3 Audited financial information for the year ended December 31, 2010 is contained within the consolidated financial statements in Section 3 of Part III of this document, in the Form 10-K.

20.4 Unaudited financial information for the quarter ended March 31, 2013 is contained within the condensed consolidated financial statements in Section 5 of Part III of this document, in the Form 10-Q.

20.5 Dividend policy

Cash dividends on our Common Stock in the amount of $0.09 per share were paid in March, June, September, and December of 2012 and 2011. In February 2013 our Board of Directors declared a 2013 first quarter dividend of $0.125 per share that was paid in March of 2013. Our Board of Directors intends to consider the payment of quarterly dividends on the outstanding shares of our Common Stock in the future. Subject to Board of Directors approval, we expect to pay dividends representing approximately 15% to 20% of our net income on an annual basis. The declaration and payment of future dividends, however, will be at the discretion of the Board of Directors and will depend on, among other things, future earnings, general financial condition and liquidity, success in business activities, capital requirements, and general business conditions.

20.6 Share repurchase program

Our stock repurchase program has an authorization of $5 billion, of which $1.7 billion remained available at March 31, 2013. The program does not require a specific number of shares to be purchased and the program may be effected through solicited or unsolicited transactions in the market or in privately negotiated transactions. The program may be terminated or suspended at any time. There were no stock

repurchases under the program in 2012. In February 2013, we announced that we intend to commence share repurchases under our existing $1.7 billion remaining authorization. During the three months ended March 31, 2013, we repurchased 1.2 million shares of our Common Stock under our existing share repurchase program for a total cost of approximately $50 million and at an average price of $40.70 per share. From the inception of this program in February 2006 through March 31, 2013, we have repurchased approximately 97 million shares of our Common Stock for approximately $3.3 billion.

20.7 Legal and arbitration proceedings

Save as summarized in this paragraph 20.7 there are no governmental, legal or arbitration proceedings (including pending or threatened proceedings of which Halliburton is aware) during the period commencing 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the Company's or the Group's financial position or profitability.

20.7.1 Macondo well incident

Overview. The semisubmersible drilling rig, Deepwater Horizon, sank on April 22, 2010 after an explosion and fire onboard the rig that began on April 20, 2010. The Deepwater Horizon was owned by Transocean Ltd. and had been drilling the Macondo exploration well in Mississippi Canyon Block 252 in the Gulf of Mexico for the lease operator, BP Exploration & Production, Inc. ("BP Exploration"), an indirect wholly owned subsidiary of BP p.l.c. We performed a variety of services for BP Exploration, including cementing, mud logging, directional drilling, measurement-while-drilling, and rig data acquisition services. Crude oil flowing from the well site spread across thousands of square miles of the Gulf of Mexico and reached the United States Gulf Coast. Efforts to contain the flow of hydrocarbons from the well were led by the United States government and by BP p.l.c., BP Exploration, and their affiliates (collectively, "BP"). The flow of hydrocarbons from the well ceased on July 15, 2010, and the well was permanently capped on September 19, 2010. Numerous attempts at estimating the volume of oil spilled have been made by various groups, and on August 2, 2010 the federal government published an estimate that approximately 4.9 million barrels of oil were discharged from the well. There were eleven fatalities and a number of injuries as a result of the Macondo well incident.

We are currently unable to fully estimate the impact the Macondo well incident will have on us. The multi-district litigation ("MDL") trial referred to below began on February 25, 2013 and is ongoing. We cannot predict the outcome of the many lawsuits and investigations relating to the Macondo well incident, including orders and rulings of the court that impact the MDL, the results of the MDL trial, the effect that the settlements between BP and the Plaintiffs' Steering Committee ("PSC") in the MDL and other settlements may have on claims against us, or whether we might settle with one or more of the parties to any lawsuit or investigation. We have recently participated, and expect to continue to participate, in court-facilitated settlement discussions to resolve a substantial portion of the private claims that are pending in the MDL trial. Our most recent settlement offer includes both Halliburton Common Stock and cash payments, with the cash components payable over an extended period of time. These discussions are at an advanced stage and, although the discussions have not resulted in a settlement, during the first quarter of 2013 we recorded an additional $1.0 billion reserve relating to the MDL based on recent settlement discussions. As of March 31, 2013, our aggregate reserve was $1.3 billion, which consists of a current portion of $278 million included in "Other current liabilities" and a non-current portion of $1.0 billion reflected as "Loss contingency for Macondo well incident" on our condensed consolidated balance sheets. This aggregate amount represents a loss contingency that is probable and for which a reasonable estimate of a loss can be made, although we continue to believe that we have substantial legal arguments and defenses against any liability and that BP's indemnity obligation protects us as described below. The settlement discussions do not cover all possible parties and claims relating to the Macondo well incident. Accordingly, there are additional loss contingencies relating to the Macondo well incident that are reasonably possible but for which we cannot make a reasonable estimate. Given the numerous potential developments relating to the MDL and other lawsuits and investigations, which could occur at any time, we may adjust our estimated loss contingency in the future. Liabilities arising out of the Macondo well incident could have a material adverse effect on our liquidity position such that they may, among other things, reduce available cash and equivalents and require us to draw on our revolving credit facility or access the capital markets. They could also have a material adverse effect on our consolidated results of operations and consolidated financial condition.

Investigations and Regulatory Action. The United States Coast Guard, a component of the United States Department of Homeland Security, and the Bureau of Ocean Energy Management, Regulation and Enforcement (formerly known as the Minerals Management Service and which was replaced effective October 1, 2011 by two new, independent bureaus – the Bureau of Safety and Environmental Enforcement ("BSEE") and the Bureau of Ocean Energy Management), a bureau of the United States Department of the Interior, shared jurisdiction over the investigation into the Macondo well incident and formed a joint investigation team that reviewed information and held hearings regarding the incident ("Marine Board Investigation"). We were named as one of the 16 parties-in-interest in the Marine Board Investigation. The

Marine Board Investigation, as well as investigations of the incident that were conducted by The National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("National Commission") and the National Academy of Sciences, have been completed, and reports issued as a result of those investigations have been critical of BP, Transocean, and us, among others. For example, one or more of those reports have concluded that primary cement failure was a direct cause of the blowout, cement testing performed by an independent laboratory "strongly suggests" that the foam cement slurry used on the Macondo well was unstable, and that numerous other oversights and factors caused or contributed to the cause of the incident, including BP's failure to run a cement bond log, BP's and Transocean's failure to properly conduct and interpret a negative-pressure test, the failure of the drilling crew and our surface data logging specialist to recognize that an unplanned influx of oil, natural gas, or fluid into the well was occurring, communication failures among BP, Transocean, and us, and flawed decisions relating to the design, construction, and testing of barriers critical to the temporary abandonment of the well. The U.S. Chemical Safety and Hazard Investigation Board is also conducting an investigation of the incident.

In October 2011, the BSEE issued a notification of Incidents of Noncompliance ("INCs") to us for allegedly violating federal regulations relating to the failure to take measures to prevent the unauthorized release of hydrocarbons, the failure to take precautions to keep the Macondo well under control, the failure to cement the well in a manner that would, among other things, prevent the release of fluids into the Gulf of Mexico, and the failure to protect health, safety, property, and the environment as a result of a failure to perform operations in a safe and workmanlike manner. According to the BSEE's notice, we did not ensure an adequate barrier to hydrocarbon flow after cementing the production casing and did not detect the influx of hydrocarbons until they were above the blowout preventer stack. We understand that the regulations in effect at the time of the alleged violations provide for fines of up to $35,000 per day per violation. We have appealed the INCs to the Interior Board of Land Appeals ("IBLA"). In January 2012, the IBLA, in response to our and the BSEE's joint request, suspended the appeal and ordered us and the BSEE to file notice within 15 days after the conclusion of the MDL and, within 60 days after the MDL court issues a final decision, to file a proposal for further action in the appeal. The BSEE has announced that the INCs will be reviewed for possible imposition of civil penalties once the appeal has ended. The BSEE has stated that this is the first time the Department of the Interior has issued INCs directly to a contractor that was not the well's operator.

The Cementing Job and Reaction to Reports. We disagree with the reports referred to above regarding many of their findings and characterizations with respect to our cementing and surface data logging services, as applicable, on the Deepwater Horizon. We have provided information to the National Commission, its staff, and representatives of the joint investigation team for the Marine Board Investigation that we believe has been overlooked or omitted from their reports, as applicable. We intend to continue to vigorously defend ourselves in any investigation relating to our involvement with the Macondo well that we believe inaccurately evaluates or depicts our services on the Deepwater Horizon.

The cement slurry on the Deepwater Horizon was designed and prepared pursuant to well condition data provided by BP. Regardless of whether alleged weaknesses in cement design and testing are or are not ultimately established, and regardless of whether the cement slurry was utilized in similar applications or was prepared consistent with industry standards, we believe that had BP and Transocean properly interpreted a negative-pressure test, this test would have revealed any problems with the cement. In addition, had BP designed the Macondo well to allow a full cement bond log test or if BP had conducted even a partial cement bond log test, the test likely would have revealed any problems with the cement. BP, however, elected not to conduct any cement bond log tests, and with Transocean misinterpreted the negative-pressure test, both of which could have resulted in remedial action, if appropriate, with respect to the cementing services.

At this time we cannot predict the impact of the investigations or reports referred to above, or the conclusions of future investigations or reports. We also cannot predict whether any investigations or reports will have an influence on or result in us being named as a party in any action alleging liability or violation of a statute or regulation, whether federal or state and whether criminal or civil.

We intend to continue to cooperate fully with all hearings, investigations, and requests for information relating to the Macondo well incident. We cannot predict the outcome of, or the costs to be incurred in connection with, any of these hearings or investigations, and therefore we cannot predict the potential impact they may have on us.

DOJ Investigations and Actions. On June 1, 2010, the United States Attorney General announced that the Department of Justice ("DOJ") was launching civil and criminal investigations into the Macondo well incident to closely examine the actions of those involved, and that the DOJ was working with attorneys general of states affected by the Macondo well incident. The DOJ announced that it was reviewing, among other traditional criminal statutes, possible violations of and liabilities under The Clean Water Act ("CWA"), The Oil Pollution Act of 1990 ("OPA"), The Migratory Bird Treaty Act of 1918 ("MBTA"), and the Endangered Species Act of 1973 ("ESA"). As part of its criminal investigation, the DOJ is examining certain

aspects of our conduct after the incident, including with respect to record-keeping, record retention, post-incident testing and modeling and the retention thereof, securities filings, and public statements by us or our employees, to evaluate whether there has been any violation of federal law.

The CWA provides authority for civil and criminal penalties for discharges of oil into or upon navigable waters of the United States, adjoining shorelines, or in connection with the Outer Continental Shelf Lands Act ("OCSLA") in quantities that are deemed harmful. A single discharge event may result in the assertion of numerous violations under the CWA. Criminal sanctions under the CWA can be assessed for negligent discharges (up to $50,000 per day per violation), for knowing discharges (up to $100,000 per day per violation), and for knowing endangerment (up to $2 million per violation), and federal agencies could be precluded from contracting with a company that is criminally sanctioned under the CWA. Civil proceedings under the CWA can be commenced against an "owner, operator, or person in charge of any vessel, onshore facility, or offshore facility from which oil or a hazardous substance is discharged" in violation of the CWA. The civil penalties that can be imposed against responsible parties range from up to $1,100 per barrel of oil discharged in the case of those found strictly liable to $4,300 per barrel of oil discharged in the case of those found to have been grossly negligent.

The OPA establishes liability for discharges of oil from vessels, onshore facilities, and offshore facilities into or upon the navigable waters of the United States. Under the OPA, the "responsible party" for the discharging vessel or facility is liable for removal and response costs as well as for damages, including recovery costs to contain and remove discharged oil and damages for injury to natural resources and real or personal property, lost revenues, lost profits, and lost earning capacity. The cap on liability under the OPA is the full cost of removal of the discharged oil plus up to $75 million for damages, except that the $75 million cap does not apply in the event the damage was proximately caused by gross negligence or the violation of certain federal safety, construction or operating standards. The OPA defines the set of responsible parties differently depending on whether the source of the discharge is a vessel or an offshore facility. Liability for vessels is imposed on owners and operators; liability for offshore facilities is imposed on the holder of the permit or lessee of the area in which the facility is located.

The MBTA and the ESA provide penalties for injury and death to wildlife and bird species. The MBTA provides that violators are strictly liable and such violations are misdemeanor crimes subject to fines of up to $15,000 per bird killed and imprisonment of up to six months. The ESA provides for civil penalties for knowing violations that can range up to $25,000 per violation and, in the case of criminal penalties, up to $50,000 per violation.

In addition, federal law provides for a variety of fines and penalties, the most significant of which is the Alternative Fines Act. In lieu of the express amount of the criminal fines that may be imposed under some of the statutes described above, the Alternative Fines Act provides for a fine in the amount of twice the gross economic loss suffered by third parties, which amount, although difficult to estimate, is significant.

On December 15, 2010, the DOJ filed a civil action seeking damages and injunctive relief against BP Exploration, Anadarko Petroleum Corporation and Anadarko E&P Company LP (together, "Anadarko"), which had an approximate 25% interest in the Macondo well, certain subsidiaries of Transocean Ltd., and others for violations of the CWA and the OPA. The DOJ's complaint seeks an action declaring that the defendants are strictly liable under the CWA as a result of harmful discharges of oil into the Gulf of Mexico and upon United States shorelines as a result of the Macondo well incident. The complaint also seeks an action declaring that the defendants are strictly liable under the OPA for the discharge of oil that has resulted in, among other things, injury to, loss of, loss of use of, or destruction of natural resources and resource services in and around the Gulf of Mexico and the adjoining United States shorelines and resulting in removal costs and damages to the United States far exceeding $75 million. BP Exploration has been designated, and has accepted the designation, as a responsible party for the pollution under the CWA and the OPA. Others have also been named as responsible parties, and all responsible parties may be held jointly and severally liable for any damages under the OPA. A responsible party may make a claim for contribution against any other responsible party or against third parties it alleges contributed to or caused the oil spill. In connection with the proceedings discussed below under "Litigation," in April 2011 BP Exploration filed a claim against us for contribution with respect to liabilities incurred by BP Exploration under the OPA or another law, which subsequent court filings have indicated may include the CWA, and requested a judgment that the DOJ assert its claims for OPA financial liability directly against us. We filed a motion to dismiss BP Exploration's claim, and that motion is pending.

We have not been named as a responsible party under the CWA or the OPA in the DOJ civil action, and we do not believe we are a responsible party under the CWA or the OPA. While we are not included in the DOJ's civil complaint, there can be no assurance that the DOJ or other federal or state governmental authorities will not bring an action, whether civil or criminal, against us under the CWA, the OPA, and/or other statutes or regulations. In connection with the DOJ's filing of the civil action, it announced that its criminal and civil investigations are continuing and that it will employ efforts to hold accountable those who are responsible for the incident.

A federal grand jury has been convened in Louisiana to investigate potential criminal conduct in connection with the Macondo well incident. We are cooperating fully with the DOJ's criminal investigation. As of April 26, 2013, the DOJ has not commenced any criminal proceedings against us. We cannot predict the status or outcome of the DOJ's criminal investigation or estimate the potential impact the investigation may have on us or our liability assessment, all of which may change as the investigation progresses. We have had and expect to continue to have discussions with the DOJ regarding the Macondo well incident and associated pre-incident and post-incident conduct.

In November 2012, BP announced that it reached an agreement with the DOJ to resolve all federal criminal charges against it stemming from the Macondo well incident. BP agreed to plead guilty to 14 criminal charges, with 13 of those charges based on the negligent misinterpretation of the negative-pressure test conducted on the Deepwater Horizon. BP also agreed to pay $4.0 billion, including approximately $1.3 billion in criminal fines, to take actions to further enhance the safety of drilling operations in the Gulf of Mexico, to a term of five years' probation, and to the appointment of two monitors with four-year terms, one relating to process safety and risk management procedures concerning deepwater drilling in the Gulf of Mexico and one relating to the improvement, implementation, and enforcement of BP's code of conduct.

In January 2013, Transocean announced that it reached an agreement with the DOJ to resolve certain claims for civil penalties and potential criminal claims against it arising from the Macondo well incident. Transocean agreed to plead guilty to one misdemeanor violation of the CWA for negligent discharge of oil into the Gulf of Mexico, to pay $1.0 billion in CWA penalties and $400 million in fines and recoveries, to implement certain measures to prevent a recurrence of an uncontrolled discharge of hydrocarbons, and to a term of five years' probation.

Litigation. Since April 21, 2010, plaintiffs have been filing lawsuits relating to the Macondo well incident. Generally, those lawsuits allege either (1) damages arising from the oil spill pollution and contamination (e.g., diminution of property value, lost tax revenue, lost business revenue, lost tourist dollars, inability to engage in recreational or commercial activities) or (2) wrongful death or personal injuries. We are named along with other unaffiliated defendants in more than 650 complaints, most of which are alleged class actions, involving pollution damage claims and at least eight personal injury lawsuits involving four decedents and at least 10 allegedly injured persons who were on the drilling rig at the time of the incident. At least six additional lawsuits naming us and others relate to alleged personal injuries sustained by those responding to the explosion and oil spill. Plaintiffs originally filed the lawsuits described above in federal and state courts throughout the United States. Except for certain lawsuits not yet consolidated, the Judicial Panel on Multi-District Litigation ordered all of the lawsuits against us consolidated in the MDL proceeding before Judge Carl Barbier in the United States Eastern District of Louisiana. The pollution complaints generally allege, among other things, negligence and gross negligence, property damages, taking of protected species, and potential economic losses as a result of environmental pollution and generally seek awards of unspecified economic, compensatory, and punitive damages, as well as injunctive relief. Plaintiffs in these pollution cases have brought suit under various legal provisions, including the OPA, the CWA, the MBTA, the ESA, the OCSLA, the Longshoremen and Harbor Workers Compensation Act, general maritime law, state common law, and various state environmental and products liability statutes.

Furthermore, the pollution complaints include suits brought against us by governmental entities, including the State of Alabama, the State of Florida, the State of Louisiana, the State of Mississippi, numerous local governmental entities, and three Mexican states. Complaints brought against us by at least seven other parishes in Louisiana were dismissed with prejudice, and the dismissal is being appealed by those parishes. The wrongful death and other personal injury complaints generally allege negligence and gross negligence and seek awards of compensatory damages, including unspecified economic damages, and punitive damages. We have retained counsel and are investigating and evaluating the claims, the theories of recovery, damages asserted, and our respective defenses to all of these claims.

Judge Barbier is also presiding over a separate proceeding filed by Transocean under the Limitation of Liability Act ("Limitation Action"). In the Limitation Action, Transocean seeks to limit its liability for claims arising out of the Macondo well incident to the value of the rig and its freight. While the Limitation Action has been formally consolidated into the MDL, the court is nonetheless, in some respects, treating the Limitation Action as an associated but separate proceeding. In February 2011, Transocean tendered us, along with all other defendants, into the Limitation Action. As a result of the tender, we and all other defendants will be treated as direct defendants to the plaintiffs' claims as if the plaintiffs had sued us and the other defendants directly. In the Limitation Action, the judge intends to determine the allocation of liability among all defendants in the hundreds of lawsuits associated with the Macondo well incident, including those in the MDL proceeding that are pending in his court. Specifically, we believe the judge will determine the liability, limitation, exoneration, and fault allocation with regard to all of the defendants in a trial, which is scheduled to occur in at least two phases and which began on February 25, 2013. The first phase of this portion of the trial is covering issues arising out of the conduct and degree of culpability of various parties allegedly relevant to the loss of well control, the ensuing fire and explosion on and sinking of the Deepwater Horizon, and the initiation of the release of hydrocarbons from the Macondo well. The

MDL court has projected September 2013 for the beginning of the second phase of this portion of the trial, which is scheduled to cover actions relating to attempts to control the flow of hydrocarbons from the well and the quantification of hydrocarbons discharged from the well. Subsequent proceedings would be held to the extent triable issues remain unsolved by the first two phases of the trial, settlements, motion practice, or stipulation. Although the DOJ is participating in the first two phases of the trial with regard to BP's conduct and the amount of hydrocarbons discharged from the well, it is anticipated that the DOJ's civil action for the CWA and OPA violations, fines, and penalties will be addressed by the court in a subsequent phase or proceeding. We do not believe that a single apportionment of liability in the Limitation Action is properly applied, particularly with respect to gross negligence and punitive damages, to the hundreds of lawsuits pending in the MDL proceeding.

Damages for the cases tried in the MDL proceeding, including punitive damages, are expected to be tried following the two phases of the trial described above. Under ordinary MDL procedures, such cases would, unless waived by the respective parties, be tried in the courts from which they were transferred into the MDL. It remains unclear, however, what impact the overlay of the Limitation Action will have on where these matters are tried. Discovery with respect to the second phase of the trial is ongoing. The MDL court is currently considering the scope of a potential third phase of the trial.

In April and May 2011, certain defendants in the proceedings described above filed numerous cross claims and third party claims against certain other defendants. BP Exploration and BP America Production Company filed claims against us seeking subrogation, contribution, including with respect to liabilities under the OPA, and direct damages, and alleging negligence, gross negligence, fraudulent conduct, and fraudulent concealment. Transocean filed claims against us seeking indemnification, and subrogation and contribution, including with respect to liabilities under the OPA and for the total loss of the Deepwater Horizon, and alleging comparative fault and breach of warranty of workmanlike performance. Anadarko filed claims against us seeking tort indemnity and contribution, and alleging negligence, gross negligence and willful misconduct, and MOEX Offshore 2007 LLC (“MOEX”), who had an approximate 10% interest in the Macondo well at the time of the incident, filed a claim against us alleging negligence. Cameron International Corporation (“Cameron”) (the manufacturer and designer of the blowout preventer), M-I Swaco (provider of drilling fluids and services, among other things), Weatherford U.S. L.P. and Weatherford International, Inc. (together, “Weatherford”) (providers of casing components, including float equipment and centralizers, and services), and Dril-Quip, Inc. (“Dril-Quip”) (provider of wellhead systems), each filed claims against us seeking indemnification and contribution, including with respect to liabilities under the OPA in the case of Cameron, and alleging negligence. Additional civil lawsuits may be filed against us. In addition to the claims against us, generally the defendants in the proceedings described above filed claims, including for liabilities under the OPA and other claims similar to those described above, against the other defendants described above. BP has since announced that it has settled those claims between it and each of MOEX, Weatherford, Anadarko, and Cameron. Also, BP and M-I Swaco have dismissed all claims between them.

In April 2011, we filed claims against BP Exploration, BP p.l.c. and BP America Production Company (“BP Defendants”), M-I Swaco, Cameron, Anadarko, MOEX, Weatherford, Dril-Quip, and numerous entities involved in the post-blowout remediation and response efforts, in each case seeking contribution and indemnification and alleging negligence. Our claims also alleged gross negligence and willful misconduct on the part of the BP Defendants, Anadarko, and Weatherford. We also filed claims against M-I Swaco and Weatherford for contractual indemnification, and against Cameron, Weatherford and Dril-Quip for strict products liability, although the court has since issued orders dismissing all claims asserted against Cameron, Dril-Quip, M-I Swaco, and Weatherford in the MDL. We filed our answer to Transocean’s Limitation petition denying Transocean’s right to limit its liability, denying all claims and responsibility for the incident, seeking contribution and indemnification, and alleging negligence and gross negligence.

Judge Barbier has issued an order, among others, clarifying certain aspects of law applicable to the lawsuits pending in his court. The court ruled that: (1) general maritime law will apply and therefore all claims brought under state law causes of action were dismissed; (2) general maritime law claims may be brought directly against defendants who are non-“responsible parties” under the OPA with the exception of pure economic loss claims by plaintiffs other than commercial fishermen; (3) all claims for damages, including pure economic loss claims, may be brought under the OPA directly against responsible parties; and (4) punitive damage claims can be brought against both responsible and non-responsible parties under general maritime law. As discussed above, with respect to the ruling that claims for damages may be brought under the OPA against responsible parties, we have not been named as a responsible party under the OPA, but BP Exploration has filed a claim against us for contribution with respect to liabilities incurred by BP Exploration under the OPA.

In September 2011, we filed claims in Harris County, Texas against the BP Defendants seeking damages, including lost profits and exemplary damages, and alleging negligence, grossly negligent misrepresentation, defamation, common law libel, slander, and business disparagement. Our claims allege that the BP Defendants knew or should have known about an additional hydrocarbon zone in the well that

the BP Defendants failed to disclose to us prior to our designing the cement program for the Macondo well. The location of the hydrocarbon zones is critical information required prior to performing cementing services and is necessary to achieve desired cement placement. We believe that had the BP Defendants disclosed the hydrocarbon zone to us, we would not have proceeded with the cement program unless it was redesigned, which likely would have required a redesign of the production casing. In addition, we believe that the BP Defendants withheld this information from the report of BP's internal investigation team and from the various investigations discussed above. In connection with the foregoing, we also moved to amend our claims against the BP Defendants in the MDL proceeding to include fraud. The BP Defendants have denied all of the allegations relating to the additional hydrocarbon zone and filed a motion to prevent us from adding our fraud claim in the MDL. In October 2011, our motion to add the fraud claim against the BP Defendants in the MDL proceeding was denied. The court's ruling does not, however, prevent us from using the underlying evidence in our pending claims against the BP Defendants.

In December 2011, BP filed a motion for sanctions against us alleging, among other things, that we destroyed evidence relating to post-incident testing of the foam cement slurry on the Deepwater Horizon and requesting adverse findings against us. The magistrate judge in the MDL proceeding denied BP's motion. BP appealed that ruling, and Judge Barbier affirmed the magistrate judge's decision.

In April 2012, BP announced that it had reached definitive settlement agreements with the PSC to resolve the substantial majority of eligible private economic loss and medical claims stemming from the Macondo well incident. The PSC acts on behalf of individuals and business plaintiffs in the MDL. According to BP, the settlements do not include claims against BP made by the DOJ or other federal agencies or by states and local governments. In addition, the settlements provide that, to the extent permitted by law, BP will assign to the settlement class certain of its claims, rights, and recoveries against Transocean and us for damages, including BP's alleged direct damages such as damages for clean-up expenses and damage to the well and reservoir. We do not believe that our contract with BP Exploration permits the assignment of certain claims to the settlement class without our consent. In April and May, 2012, BP and the PSC filed two settlement agreements and amendments with the MDL court, one agreement addressing economic claims and one agreement addressing medical claims, as well as numerous supporting documents and motions requesting that the court approve, among other things, the certification of the classes for both settlements and a schedule for holding a fairness hearing and approving the settlements. The MDL court has since confirmed certification of the classes for both settlements and granted final approval of the settlements. We objected to the settlements on the grounds set forth above, among other reasons. The MDL court held, however, that we, as a non-settling defendant, lacked standing to object to the settlements but noted that it did not express any opinion as to the validity of BP's assignment of certain claims to the settlement class and that the settlements do not affect any of our procedural or substantive rights in the MDL. We are unable to predict at this time the effect that the settlements may have on claims against us.

In October 2012, the MDL court issued an order dismissing three types of plaintiff claims: (1) claims by or on behalf of owners, lessors, and lessees of real property that allege to have suffered a reduction in the value of real property even though the property was not physically touched by oil and the property was not sold; (2) claims for economic losses based solely on consumers' decisions not to purchase fuel or goods from BP fuel stations and stores based on consumer animosity toward BP; and (3) claims by or on behalf of recreational fishermen, divers, beachgoers, boaters and others that allege damages such as loss of enjoyment of life from their inability to use portions of the Gulf of Mexico for recreational and amusement purposes. The MDL court also noted that we are not liable with respect to those claims under the OPA because we are not a "responsible party" under OPA.

The MDL trial is underway. At the conclusion of the plaintiffs' case we and the other defendants each submitted a motion requesting the MDL court to dismiss certain claims. In March 2013, the MDL court denied our motion and declined to dismiss any claims, including those alleging gross negligence, against BP, Transocean and us. In addition, the MDL court dismissed all claims against M-I Swaco and claims alleging gross negligence against Cameron. In April 2013, the MDL court dismissed all remaining claims against Cameron, leaving BP, Transocean, and us as the remaining defendants.

Also in March 2013, we advised the MDL court that we recently found a rig sample of dry cement blend collected at another well that was cemented before the Macondo well using the same dry cement blend as used on the Macondo production casing. In April 2013, we advised the MDL parties that we recently discovered some additional documents related to the Macondo well incident. BP and others have asked the court to impose sanctions and adverse findings against us because, according to their allegations, we should have identified the cement sample in 2010 and the additional documents by October 2011. The MDL court has not ruled on the requests for sanctions and adverse findings. We believe that the recent discoveries were the result of simple misunderstandings or mistakes, and that sanctions are not warranted.

Testimony relating to the first phase of the MDL trial has been completed. The MDL court has indicated that it will issue a schedule for the parties to provide proposed findings of facts and conclusions of law and for post-trial briefing.

We intend to vigorously defend any litigation, fines, and/or penalties relating to the Macondo well incident and to vigorously pursue any damages, remedies, or other rights available to us as a result of the Macondo well incident. We have incurred and expect to continue to incur significant legal fees and costs, some of which we expect to be covered by indemnity or insurance, as a result of the numerous investigations and lawsuits relating to the incident.

Macondo derivative case. In February 2011, a shareholder who had previously made a demand on our Board of Directors with respect to another derivative lawsuit filed a shareholder derivative lawsuit relating to the Macondo well incident. In 2012, we settled those lawsuits and the cases were dismissed. See "Shareholder derivative cases" below.

Indemnification and Insurance. Our contract with BP Exploration relating to the Macondo well generally provides for our indemnification by BP Exploration for certain potential claims and expenses relating to the Macondo well incident, including those resulting from pollution or contamination (other than claims by our employees, loss or damage to our property, and any pollution emanating directly from our equipment). Also, under our contract with BP Exploration, we have, among other things, generally agreed to indemnify BP Exploration and other contractors performing work on the well for claims for personal injury of our employees and subcontractors, as well as for damage to our property. In turn, we believe that BP Exploration was obligated to obtain agreement by other contractors performing work on the well to indemnify us for claims for personal injury of their employees or subcontractors, as well as for damages to their property. We have entered into separate indemnity agreements with Transocean and M-I Swaco, under which we have agreed to indemnify those parties for claims for personal injury of our employees and subcontractors and they have agreed to indemnify us for claims for personal injury of their employees and subcontractors.

In April 2011, we filed a lawsuit against BP Exploration in Harris County, Texas to enforce BP Exploration's contractual indemnity and alleging BP Exploration breached certain terms of the contractual indemnity provision. BP Exploration removed that lawsuit to federal court in the Southern District of Texas, Houston Division. We filed a motion to remand the case to Harris County, Texas, and the lawsuit was transferred to the MDL.

BP Exploration, in connection with filing its claims with respect to the MDL proceeding, asked that court to declare that it is not liable to us in contribution, indemnification, or otherwise with respect to liabilities arising from the Macondo well incident. Other defendants in the litigation discussed above have generally denied any obligation to contribute to any liabilities arising from the Macondo well incident.

In January 2012, the court in the MDL proceeding entered an order in response to our and BP's motions for summary judgment regarding certain indemnification matters. The court held that BP is required to indemnify us for third-party compensatory claims, or actual damages, that arise from pollution or contamination that did not originate from our property or equipment located above the surface of the land or water, even if we are found to be grossly negligent. The court did not express an opinion as to whether our conduct amounted to gross negligence, but we do not believe the performance of our services on the Deepwater Horizon constituted gross negligence. The court also held, however, that BP does not owe us indemnity for punitive damages or for civil penalties under the CWA, if any, and that fraud could void the indemnity on public policy grounds, although the court stated that it was mindful that mere failure to perform contractual obligations as promised does not constitute fraud. As discussed above, the DOJ is not seeking civil penalties from us under the CWA. The court in the MDL proceeding deferred ruling on whether our indemnification from BP covers penalties or fines under the OCSLA, whether our alleged breach of our contract with BP Exploration would invalidate the indemnity, and whether we committed an act that materially increased the risk to or prejudiced the rights of BP so as to invalidate the indemnity. We do not believe that we breached our contract with BP Exploration or committed an act that would otherwise invalidate the indemnity. The court's rulings will be subject to appeal at the appropriate time.

In responding to similar motions for summary judgment between Transocean and BP, the court also held that public policy would not bar Transocean's claim for indemnification of compensatory damages, even if Transocean was found to be grossly negligent. The court also held, among other things, that Transocean's contractual right to indemnity does not extend to punitive damages or civil penalties under the CWA.

The rulings in the MDL proceeding regarding the indemnities are based on maritime law and may not bind the determination of similar issues in lawsuits not comprising a part of the MDL proceeding. Accordingly, it is possible that different conclusions with respect to indemnities will be reached by other courts.

Indemnification for criminal fines or penalties, if any, may not be available if a court were to find such indemnification unenforceable as against public policy. In addition, certain state laws, if deemed to apply, would not allow for enforcement of indemnification for gross negligence, and may not allow for enforcement of indemnification of persons who are found to be negligent with respect to personal injury claims.

In addition to the contractual indemnities discussed above, we have a general liability insurance program of $600 million. Our insurance is designed to cover claims by businesses and individuals made against us in the event of property damage, injury, or death and, among other things, claims relating to environmental damage, as well as legal fees incurred in defending against those claims. Through March 31, 2013, we have received payments totaling $95 million from our insurers with respect to covered legal fees incurred in connection with the Macondo well incident. To the extent we incur any losses beyond those covered by indemnification, there can be no assurance that our insurance policies will cover all potential claims and expenses relating to the Macondo well incident. In addition, we may not be insured with respect to civil or criminal fines or penalties, if any, pursuant to the terms of our insurance policies. Insurance coverage can be the subject of uncertainties and, particularly in the event of large claims, potential disputes with insurance carriers, as well as other potential parties claiming insured status under our insurance policies. In connection with our recent settlement discussions, some of our insurance carriers have questioned whether reimbursement of legal fees and related expenses is proper under certain circumstances.

BP's public filings indicate that BP has recognized in excess of $40 billion in pre-tax charges, excluding offsets for settlement payments received from certain defendants in the proceedings described above under "Litigation," as a result of the Macondo well incident. BP's public filings also indicate that the amount of, among other things, certain natural resource damages with respect to certain OPA claims, some of which may be included in such charges, cannot be reliably estimated as of the dates of those filings.

20.7.2 Barracuda-Caratinga arbitration

We agreed to provide indemnification in favor of our former subsidiary, KBR, under the Master Separation Agreement for liabilities KBR may incur after November 20, 2006 as a result of certain allegedly defective subsea flowline bolts installed in connection with the Barracuda-Caratinga project. Prior to that, at the inception of the project, we provided a guarantee to Barracuda & Caratinga Leasing Company BV ("BCLC"), a subsidiary of our customer, Petrobras, of KBR's obligations with respect to the project.

In March 2006, BCLC commenced arbitration against KBR claiming $220 million plus interest for the cost of monitoring and replacing the allegedly defective bolts and all related costs and expenses of the arbitration, including the cost of attorneys' fees. During the third quarter of 2011, an arbitration panel issued an award against KBR in the amount of approximately $201 million, plus post-judgment interest. BCLC filed a motion to confirm, and KBR filed a motion to vacate, the arbitration award with the United States District Court for the Southern District of New York. In December 2012, BCLC sent us a demand for payment of the arbitration award under the terms of our guarantee. In January 2013, the matter was resolved by our payment of $219 million to BCLC under the guarantee. BCLC has agreed that our obligations under the guarantee have been satisfied. Accordingly, there were no amounts accrued at March 31, 2013. See paragraph 5.1 of this Prospectus for further discussion of the Barracuda-Caratinga matter.

20.7.3 Securities and related litigation

In June 2002, a class action lawsuit was filed against us in federal court alleging violations of the federal securities laws after the Securities and Exchange Commission ("SEC") initiated an investigation in connection with our change in accounting for revenue on long-term construction projects and related disclosures. In the weeks that followed, approximately twenty similar class actions were filed against us. Several of those lawsuits also named as defendants several of our present or former officers and directors. The class action cases were later consolidated, and the amended consolidated class action complaint, styled Richard Moore, et al. v. Halliburton Company, et al., was filed and served upon us in April 2003. As a result of a substitution of lead plaintiffs, the case was styled Archdiocese of Milwaukee Supporting Fund ("AMSF") v. Halliburton Company, et al. AMSF has changed its name to Erica P. John Fund, Inc. ("the Fund"). We settled with the SEC in the second quarter of 2004.

In June 2003, the lead plaintiffs filed a motion for leave to file a second amended consolidated complaint, which was granted by the court. In addition to restating the original accounting and disclosure claims, the second amended consolidated complaint included claims arising out of our 1998 acquisition of Dresser Industries, Inc., including that we failed to timely disclose the resulting asbestos liability exposure.

In April 2005, the court appointed new co-lead counsel and named the Fund the new lead plaintiff, directing that it file a third consolidated amended complaint and that we file our motion to dismiss. The court held oral arguments on that motion in August 2005. In March 2006, the court entered an order in which it granted the motion to dismiss with respect to claims arising prior to June 1999 and granted the motion with respect to certain other claims while permitting the Fund to re-plead some of those claims to correct deficiencies in its earlier complaint. In April 2006, the Fund filed its fourth amended consolidated complaint. We filed a motion to dismiss those portions of the complaint that had been re-pled. A hearing was held on that motion in July 2006, and in March 2007 the court ordered dismissal of the claims against all individual

defendants other than our Chief Executive Officer (“CEO”). The court ordered that the case proceed against our CEO and us.

In September 2007, the Fund filed a motion for class certification, and our response was filed in November 2007. The district court held a hearing in March 2008, and issued an order November 3, 2008 denying the motion for class certification. The Fund appealed the district court’s order to the Fifth Circuit Court of Appeals. The Fifth Circuit affirmed the district court’s order denying class certification. On May 13, 2010, the Fund filed a writ of certiorari in the United States Supreme Court. In January 2011, the Supreme Court granted the writ of certiorari and accepted the appeal. The Court heard oral arguments in April 2011 and issued its decision in June 2011, reversing the Fifth Circuit ruling that the Fund needed to prove loss causation in order to obtain class certification. The Court’s ruling was limited to the Fifth Circuit’s loss causation requirement, and the case was returned to the Fifth Circuit for further consideration of our other arguments for denying class certification. The Fifth Circuit returned the case to the district court, and in January 2012 the court issued an order certifying the class. We filed a Petition for Leave to Appeal with the Fifth Circuit, which was granted and the case is stayed at the district court pending this appeal. In March 2013, the Fifth Circuit heard oral argument in the appeal. We are awaiting a ruling on the appeal from the Fifth Circuit. In spite of its age, the case is at an early stage, and we cannot predict the outcome or consequences thereof. As of March 31, 2013, we had not accrued any amounts related to this matter because we do not believe that a loss is probable. Further, an estimate of possible loss or range of loss related to this matter cannot be made. We intend to vigorously defend this case.

20.7.4 Shareholder derivative cases

In May 2009, two shareholder derivative lawsuits involving us and KBR were filed in Harris County, Texas, naming as defendants various current and retired Halliburton directors and officers and current KBR directors. These cases allege that the individual Halliburton defendants violated their fiduciary duties of good faith and loyalty, to our detriment and the detriment of our shareholders, by failing to properly exercise oversight responsibilities and establish adequate internal controls. The District Court consolidated the two cases, and the plaintiffs filed a consolidated petition against only current and former Halliburton directors and officers containing various allegations of wrongdoing including violations of the United States Foreign Corrupt Practices Act (“FCPA”), claimed KBR offenses while acting as a government contractor in Iraq, claimed KBR offenses and fraud under United States government contracts, Halliburton activity in Iran, and illegal kickbacks. Subsequently, a shareholder made a demand that the Board take remedial action respecting the FCPA claims in the pending lawsuit. Our Board of Directors designated a special committee of certain independent and disinterested directors to oversee the investigation of the allegations made in the lawsuits and shareholder demand. Upon receipt of the special committee’s findings and recommendations, the independent and disinterested members of the Board determined that the shareholder claims were without merit and not otherwise in our best interest to pursue. The Board directed our counsel to report its determinations to the plaintiffs and demanding shareholder.

In 2012, we agreed to settle the consolidated lawsuit, and the court approved the settlement and dismissed the case. Pursuant to the settlement, we paid the plaintiffs' legal fees which were not material to our consolidated financial statements, and we have implemented certain changes to our corporate governance policies.

In February 2011, the same shareholder who had made the demand on our Board of Directors in connection with one of the derivative lawsuits discussed above filed a shareholder derivative lawsuit in Harris County, Texas naming us as a nominal defendant and certain of our directors and officers as defendants. This case alleges that these defendants, among other things, breached fiduciary duties of good faith and loyalty by failing to properly exercise oversight responsibilities and establish adequate internal controls, including controls and procedures related to cement testing and the communication of test results, as they relate to the Macondo well incident. Our Board of Directors designated a special committee of certain independent and disinterested directors to oversee the investigation of the allegations made in the lawsuit and shareholder demand. Upon receipt of the special committee’s findings and recommendations, the independent and disinterested members of the Board determined that the shareholder claims were without merit and not otherwise in our best interest to pursue. The Board directed our counsel to report its determinations to the plaintiffs and demanding shareholder.

In 2012, we agreed to settle this lawsuit, and the court approved the settlement and dismissed the case. Pursuant to the settlement, we paid the plaintiffs' legal fees which were not material to our consolidated financial statements, and we have implemented certain changes to our corporate governance and health, safety, and environmental policies.

20.7.5 Investigations

We are conducting internal investigations of certain areas of our operations in Angola and Iraq, focusing on compliance with certain company policies, including our Code of Business Conduct ("COBC"), and the FCPA and other applicable laws.

In December 2010, we received an anonymous e-mail alleging that certain current and former personnel violated our COBC and the FCPA, principally through the use of an Angolan vendor. The e-mail also alleges conflicts of interest, self-dealing, and the failure to act on alleged violations of our COBC and the FCPA. We contacted the DOJ to advise them that we were initiating an internal investigation.

Since the third quarter of 2011, we have been participating in meetings with the DOJ and the SEC to brief them on the status of our investigation and have been producing documents to them both voluntarily and as a result of SEC subpoenas to the company and certain of our current and former officers and employees.

During the second quarter of 2012, in connection with a meeting with the DOJ and the SEC regarding the above investigation, we advised the DOJ and the SEC that we were initiating unrelated, internal investigations into payments made to a third-party agent relating to certain customs matters in Angola and to third-party agents relating to certain customs and visa matters in Iraq.

We expect to continue to have discussions with the DOJ and the SEC regarding the Angola and Iraq matters described above and have indicated that we would further update them as our investigations progress. We have engaged outside counsel and independent forensic accountants to assist us with the investigations. We intend to continue to cooperate with the DOJ's and the SEC's inquiries and requests in these investigations. Because these investigations are ongoing, we cannot predict their outcome or the consequences thereof.

20.7.6 Environmental litigation

In addition to United States federal laws and regulations, states and other countries where we do business often have numerous environmental, legal, and regulatory requirements by which we must abide. We evaluate and address the environmental impact of our operations by assessing and remediating contaminated properties in order to avoid future liabilities and comply with environmental, legal, and regulatory requirements. Our Health, Safety and Environment group has several programs in place to maintain environmental leadership and to help prevent the occurrence of environmental contamination. On occasion, in addition to the matters relating to the Macondo well incident described above and the Duncan, Oklahoma matter described below, we are involved in other environmental litigation and claims, including the remediation of properties we own or have operated, as well as efforts to meet or correct compliance-related matters. We do not expect costs related to those claims and remediation requirements to have a material adverse effect on our liquidity position, consolidated results of operations, or consolidated financial position. Excluding our loss contingency for the Macondo well incident, our accrued liabilities for environmental matters were $71 million as of March 31, 2013, $72 million as of December 31, 2012, and $81 million as of December 31, 2011. Because our estimated liability is typically within a range and our accrued liability may be the amount on the low end of that range, our actual liability could eventually be well in excess of the amount accrued. Our total liability related to environmental matters covers numerous properties.

In November 2012, the Company received an Enforcement Notice from the Pennsylvania Department of Environmental Protection ("PADEP") regarding an alleged improper disposal of oil field acid in or around Homer City, Pennsylvania between 1999 and 2011. We are currently negotiating with the PADEP to resolve this matter in an amicable manner. We expect the PADEP to assess a penalty in excess of $100,000 and have therefore accrued for an immaterial amount.

Between approximately 1965 and 1991, one or more former Halliburton units performed work (as a contractor or subcontractor) for the U.S. Department of Defense cleaning solid fuel from missile motor casings at a semi-rural facility on the north side of Duncan, Oklahoma. In addition, from approximately November 1983 through December 1985, a discrete portion of the site was used to conduct a recycling project on stainless steel nuclear fuel rod racks from Omaha Public Power District's Fort Calhoun Station. We closed the site in coordination with the Oklahoma Department of Environmental Quality (DEQ) in the mid-1990s, but continued to monitor the groundwater at the DEQ's request. A principal component of the missile fuel was ammonium perchlorate, a salt that is highly soluble in water, which has been discovered in the soil and groundwater on our site and in certain residential water wells near our property. In August 2011, we entered into the DEQ's Voluntary Cleanup Program and executed a voluntary Memorandum of Agreement and Consent Order for Site Characterization and Risk Based Remediation with the DEQ relating to the remediation of this site.

Commencing in October 2011, a number of lawsuits were filed against us, including a putative class action case in federal court in the Western District of Oklahoma and other lawsuits filed in Oklahoma state courts. The lawsuits generally allege, among other things, that operations at our Duncan facility caused releases of pollutants, including ammonium perchlorate and, in the case of the federal lawsuit, nuclear or radioactive waste, into the groundwater, and that we knew about those releases and did not take corrective actions to address them. It is also alleged that the plaintiffs have suffered from certain health conditions, including hypothyroidism, a condition that has been associated with exposure to perchlorate at sufficiently high doses over time. These cases seek, among other things, damages, including punitive damages, and the establishment of a fund for future medical monitoring. The cases allege, among other things, strict liability, trespass, private nuisance, public nuisance, and negligence and, in the case of the federal lawsuit, violations of the U.S. Resource Conservation and Recovery Act ("RCRA"), resulting in personal injuries, property damage, and diminution of property value.

The lawsuits generally allege that the cleaning of the missile casings at the Duncan facility contaminated the surrounding soils and groundwater, including certain water wells used in a number of residential homes, through the migration of, among other things, ammonium perchlorate. The federal lawsuit also alleges that our processing of radioactive waste from a nuclear power plant over 25 years ago resulted in the release of "nuclear/radioactive" waste into the environment. In April 2012, the judge in the federal lawsuit dismissed the plaintiffs' RCRA claim. The other claims brought in that lawsuit remain pending.

To date, soil and groundwater sampling relating to the allegations discussed above has confirmed that the alleged nuclear or radioactive material is confined to the soil in a discrete area of the onsite operations and is not presently believed to be in the groundwater onsite or in any areas offsite. The radiological impacts from this discrete area are not believed to present any health risk for offsite exposure. With respect to ammonium perchlorate, we have made arrangements to supply affected residents with bottled drinking water and, if needed, with access to temporary public water supply lines, at no cost to the residents. We have worked with the City of Duncan and the DEQ to expedite expansion of the city water supply to the relevant areas at our expense.

The lawsuits described above are at an early stage, and additional lawsuits and proceedings may be brought against us. We cannot predict their outcome or the consequences thereof. As of December 31, 2012, we had accrued $25 million related to our initial estimate of response efforts, third-party property damage, and remediation related to the Duncan, Oklahoma matter. We intend to vigorously defend the lawsuits and do not believe that these lawsuits will have a material adverse effect on our liquidity, consolidated results of operations, or consolidated financial condition.

Additionally, we have subsidiaries that have been named as potentially responsible parties along with other third parties for nine federal and state Superfund sites for which we have established reserves. As of March 31, 2013, those nine sites accounted for approximately $5 million of our $71 million total environmental reserve. Despite attempts to resolve these Superfund matters, the relevant regulatory agency may at any time bring suit against us for amounts in excess of the amount accrued. With respect to some Superfund sites, we have been named a potentially responsible party by a regulatory agency; however, in each of those cases, we do not believe we have any material liability. We also could be subject to third-party claims with respect to environmental matters for which we have been named as a potentially responsible party.

20.7.7 KBR Tax sharing agreement

During 2007, we completed the separation of KBR from us by exchanging KBR common stock owned by us for our Common Stock. We entered into various agreements relating to the separation of KBR, including, among others, a Master Separation Agreement and a Tax Sharing Agreement.

The Tax Sharing Agreement provides for the calculation and allocation of United States and certain other jurisdiction tax liabilities between us and KBR for the periods 2001 through the date of separation. The Tax Sharing Agreement is complex, and finalization of amounts owed between KBR and us under the Tax Sharing Agreement can occur only after income tax audits are completed by the taxing authorities and both parties have had time to analyze the results.

During the second quarter of 2012, we sent a notice as required by the Tax Sharing Agreement to KBR requesting the appointment of an arbitrator in accordance with the terms of the Tax Sharing Agreement. This request asked the arbitrator to find that KBR owes us $256 million pursuant to the Tax Sharing Agreement. KBR denied that it owes us any amount and asserted instead that we owe KBR certain amounts under the Tax Sharing Agreement. KBR also asserted that they believe the Master Separation Agreement controls this matter and demanded arbitration under that agreement. On July 10, 2012, we filed suit in the District Court of Harris County, Texas, seeking to compel KBR to arbitrate this dispute in accordance with the provisions of the Tax Sharing Agreement, rather than the Master Separation Agreement. KBR filed a cross-motion seeking to compel arbitration under the Master Separation

Agreement. In September 2012, the court denied our motion and granted KBR's motion to compel arbitration under the Master Separation Agreement. We have filed a notice of appeal, which is pending. The arbitration is scheduled to occur in May 2013. Any unresolved issues remaining after the arbitration will be decided by an accounting referee at a later date. No anticipated recovery amounts or liabilities related to this matter have been recognized in the condensed consolidated financial statements.

20.8 Significant change in the issuer's financial or trading position

No significant changes in the financial or trading position of the Group have occurred since the end of the last financial period for which financial information has been published, being March 31, 2013.

21. ADDITIONAL INFORMATION

21.1 Share Capital

As of March 31, 2013, and December 31, 2012, there were 927 million shares of Common Stock authorized but unissued. As of December 31, 2012, December 31, 2011 and December 31, 2010 the share capital of the Company was as follows:

		Number authorized but unissued in millions			Number issued in millions (fully paid)		
	Par Value	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2012	December 31, 2011	December 31, 2010
Common Stock	$2.50	927	927	931	1,073	1,073	1,069

All shares issued are fully paid.

The Company has no convertible securities or exchangeable securities outstanding. There are no outstanding warrants to subscribe or purchase any capital of the Company.

The shares in the Company under option are set out in paragraph 17 of this Prospectus. Details of the treasury stock held by the Company are set out in our audited consolidated balance sheet and in Note 10 to the consolidated financial statements contained in our Annual Report on Form 10-K included in Part III of this Prospectus.

21.2 Summaries of Certificate of Incorporation and By-laws

21.2.1 *Halliburton's Certificate of Incorporation:*

(a) Objects

The nature of the business, or objects, or purposes to be transacted, promoted or carried on are contained in the third Article of the Certificate of Incorporation and include the following:

(i) To acquire, own and hold United States and Foreign Letters patent; and Licenses thereunder, relating to the cementing and finishing of oil wells, gas wells and water wells, including processes and machines for mixing cement and other substances in an efficient manner and forcing same into such wells; and measuring devices used in the process of cementing wells; and under such patents and licenses and to conduct the business of cementing and finishing oil wells, gas and water wells, and to purchase, own and use all necessary and convenient tools, implements and appliances, including trucks, for the conduct of such business; also such real and personal property as may be needed for its operations. To transact any of its business in any part of the world.

(ii) To manufacture, sell, lease, use or service any and all kinds of supplies, tools, appliances, accessories, specialties, machinery and equipment relating to or useful in connection with the cementing, testing, drilling, completing, cleaning, repairing or operating oil wells, gas wells and water wells.

(iii) To acquire, own and operate such machinery, apparatus, appliances and equipment as may be necessary, proper or incidental to the cementing, testing, completing, repairing, cleaning and operating of oil wells, gas wells and water wells, or for any of the purposes for which Halliburton is organized.

(iv) To apply for, purchase or in any manner to acquire, hold, use, sell, assign, lease, grant licenses in respect of, mortgage, or otherwise dispose of letters patent of the United States or any foreign country, patent rights, licenses and privileges, inventions, improvements, and processes,

copyrights, trademarks, and trade names relating to or useful in connection with any business of Halliburton, and to work, operate or develop the same, and to carry on any business, manufacturing or otherwise, which may directly or indirectly effectuate these objects or any of them.

(v) In general, upon approval of the Board of Directors of Halliburton, to carry on any other business, including selling, leasing, manufacturing and servicing, even though unrelated to the objects and purposes enumerated in paragraphs (i) to (iv) above, and to have and exercise all the powers conferred by the laws of Delaware upon corporations, and to hold, purchase, mortgage and convey real and personal property out of the State of Delaware, and to do any or all of the things hereinbefore set forth to the same extent as natural persons might or could do.

(b) Common Stock

Dividends:

Subject to the rights of Preferred Stock as to the payment of preferential dividends, if any, and after compliance with the requirements for setting aside sinking or analogous funds as to any series of Preferred Stock, holders of the Common Stock are entitled to receive such dividends as may be declared from time to time by the Board of Directors out of any funds of Halliburton legally available.

Distributions:

Upon liquidation, dissolution or winding up, whether voluntary or involuntary, and after the full amounts, if any, to which the holders of outstanding Preferred Stock of each series are respectively preferentially entitled have been distributed or set apart for distribution, all the remaining assets of Halliburton available for distribution shall be distributed pro rata to the holders of Common Stock.

Voting:

Except as may be otherwise required by law or provided by the Certificate of Incorporation, each holder of Common Stock has one vote in respect of each share of stock held by him on all matters voted upon by the stockholders.

(c) Preferred Stock

(i) Issue and designation:

Shares of the Preferred Stock may be issued in one or more series at such times and for such consideration as the Directors may determine. Authority is vested in the Directors by resolutions from time to time to establish and designate series, to issue shares of any such series and to fix the relative, participating, optional, or other rights, powers, privileges, preferences, and the qualifications, limitations or restrictions thereof, including, but not limited to, the following:

- The distinctive designation and number of shares comprising any series;

- The dividend rate on the shares of any series and the preference or preferences, if any, over any other series with respect to dividends;

- The terms, if any, upon, which the shares of any series shall be convertible into, or exchangeable for, shares of a different series of Preferred Stock or for Common Stock;

- Whether or not the shares of any series shall be subject to purchase or redemption, and the terms of any redemption;

- The obligation, if any, of Halliburton to purchase or redeem shares of any series pursuant to a sinking or other fund and the price or prices which, the period or periods within which and the terms and conditions upon which the shares of the series shall be redeemed in whole or in part pursuant to such fund;

- The rights to which the holders of shares of any series shall be entitled upon liquidation, dissolution of or winding up of Halliburton, whether the same be a voluntary or involuntary liquidation, dissolution or winding up of Halliburton;

- The voting powers to which the shares of any series shall be entitled in addition to those required by law; and

- Any other preferences, privileges and powers and relative, participating, optional or other rights and qualifications, limitations or restrictions thereof, of any series not inconsistent herewith or with applicable law.

(ii) Dividends:

The shares of each series of Preferred Stock entitle the holders to receive, when, as and if declared by the Board out of funds legally available for dividends, cash dividends at the rate, under the conditions and for the periods fixed by resolution or resolutions of the Board of Directors pursuant to authority granted in the relevant Article for each series, and no more, and so long as any Preferred Stock or any series thereof shall remain outstanding, no dividends shall be declared or paid upon any shares of the Common Stock, other than dividends payable in shares of any series or class subordinate to the Preferred Stock, unless dividends on all outstanding Preferred Stock of all series fixed by the Board of Directors in accordance with and pursuant to the authority granted in this Article for each series shall be paid or set apart for payment.

(iii) Liquidation:

In the event of any voluntary or involuntary liquidation, dissolution or winding up of Halliburton, the holders of the Preferred Stock of each series then outstanding shall be entitled to receive payment out of the net assets of Halliburton whether from capital or surplus or both of the liquidation price fixed for such series by the Board by resolution, if any is so fixed, at the time and under the circumstances applicable before any payment shall be made to the holders of shares of any series of lesser rank to such series or to holders of shares of Common Stock of Halliburton. If the stated amounts payable in such event on the Preferred Stock of all series are not paid in full, the shares of all series of equal rank shall share ratably in any distribution of assets in accordance with the sums which would be payable on such distribution if all sums payable were discharged in full. Neither the merger nor the consolidation of Halliburton nor the voluntary sale or conveyance of Halliburton property as an entirety or any part thereof shall be deemed to be a liquidation, dissolution or winding up of Halliburton for the purposes of this paragraph (iii).

(iv) Voting:

Except as is otherwise required by law or as otherwise provided in a resolution by the Board in accordance with the provisions of this Article, the holders of any series of Preferred Stock shall not be entitled to vote at any meeting of the stockholders for the election of Directors or for any other purpose or otherwise to participate in any action taken by Halliburton or the stockholders thereof or to receive notice of any meeting of stockholders. If the holders of any series of Preferred Stock should become entitled to vote at any meeting of the stockholders for the election of Directors, no such holder shall have the right of cumulative voting.

(v) Each share of a series of Preferred Stock shall be equal in every respect to every other share of the same series.

(vi) Purchase, redemption, conversion:

Shares of Preferred Stock which have been purchased or redeemed, whether through the operation of a sinking fund or otherwise, or which, if convertible or exchangeable, have been converted into or exchanged for shares of stock of any other class or series shall have the status of authorized and unissued shares of Preferred Stock of the same series and may be reissued as a part of the series of which they were originally a part or may be reclassified and reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board or as part of any other series of Preferred Stock, unless otherwise provided with respect to any series in the resolution or resolutions adopted by the Board of Directors providing for the issuance of any series of Preferred Stock.

(d) Other provisions:

(i) Cumulative voting is not allowed. Each Stockholder is entitled, at all elections of Directors of Halliburton, to as many votes as shall equal the number of shares of stock held and owned by him and entitled to vote at such meeting under the Certificate of Incorporation for as many Directors as there are to be elected, unless such right to vote in such manner is limited or denied by other provisions of the Certificate of Incorporation.

(ii) The By-laws may be altered or repealed at any regular meeting of the Stockholders, or at any special meeting of the Stockholders at which a quorum is present or represented, provided notice of the proposed alteration or repeal be contained in the notice of such special meeting, by the

affirmative vote of the majority of the Stockholders entitled to vote at such meeting and present or represented thereat, or by the affirmative vote of the majority of the Board of Directors at any regular meeting of the Board, or at any special meeting of the Board, if notice of the proposed alteration or repeal be contained in the notice of such special meeting; provided, however, that no change of the time or place of the meeting for the election of Directors shall be made within sixty (60) days next before the day on which such meeting is to be held, and that in case of any change of time or place, notice thereof shall be given to each Stockholder in person or by letter mailed to his last known post office address at least twenty (20) days before the meeting is held.

(iii) Halliburton is authorized to, and shall, indemnify directors, officers and employees of Halliburton and certain other parties in accordance with, *inter alia*, the following provisions:

- Halliburton shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of Halliburton) by reason of the fact that he is or was a director, officer, employee or agent of Halliburton, or is or was serving at the request of Halliburton as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses , including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of Halliburton, and, with respect to any criminal action or proceeding had no reasonable cause to believe his or her conduct was unlawful.

- Halliburton shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of Halliburton to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of Halliburton, or is or was serving at the request of Halliburton as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of Halliburton and except that no indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to Halliburton unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

- Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by Halliburton in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by Halliburton as authorized.

(iv) Halliburton reserves the right to amend, alter, change or repeal any provision contained in the Certificate of Incorporation in the manner now or hereafter prescribed by statute and all rights conferred on Stockholders are subject to this reservation.

(v) No holder of any class of stock of Halliburton shall have any preemptive or preferential right of subscription or purchase with reference to the issuance or sale of any class of stock of Halliburton or of any securities or obligations convertible into or carrying or evidencing any right to purchase any class of stock of Halliburton.

(vi) No director shall be personally liable to Halliburton or any stockholder for monetary damages for breach of fiduciary duty by such director as a director; except for any matter in respect of which such director shall be liable under Section 174 of the Delaware General Corporation Law or any amendment thereto or successor provision thereof or shall be liable by reason that, in addition to any and all other requirements for such liability, such director (i) shall have breached the duty of loyalty to Halliburton or its stockholders, (ii) in acting or failing to act shall not have acted in good faith or shall have acted in a manner involving intentional misconduct or a knowing violation of law or (iii) shall have derived an improper personal benefit.

21.2.2 ***Halliburton's By-laws:***

There are no provisions in the Articles of Incorporation or the By-laws that govern the ownership threshold above which shareholder ownership must be disclosed.

(a) Stockholders' Meetings

Annual Meetings: Annual meetings of the stockholders must be held on the third Wednesday in May each year if not a legal holiday, and if a legal holiday, then on the next succeeding business day, at 9:00 a.m., or at such other date and time as shall be designated, from time to time, by the Board of Directors and stated in the notice of meeting. At the annual meeting, the stockholders shall elect a Board of Directors and transact other business lawfully brought before the meeting.

The only business that can be conducted at an annual meeting of the stockholders is business that has, in accordance with Section 5 of the By-laws and the requirements of the Securities and Exchange Act of 1934, as amended, been properly brought before the meeting. The Chairman of an annual meeting may determine and declare to the meeting that the business was not properly brought before the meeting and, if he does so, the business not properly brought before the meeting shall not be transacted.

The holders of a majority of the issued and outstanding voting stock, present in person, or represented by proxy shall constitute a quorum at all meetings of the stockholders for the transaction of business.

At each meeting, every stockholder shall be entitled to vote in person or by proxy and shall have one vote for each share of voting stock registered in the stockholder's name on the stock books.

Special Meetings: Special meetings of the stockholders may be called by the Chairman of the Board, the Chief Executive Officer, the President (if a Director), or the Board of Directors. Special meetings may also be called by a stockholder owning at least ten percent of the company's issued and outstanding voting stock or two or more stockholders owning in the aggregate at least twenty-five percent of the company's issued and outstanding voting stock.

(b) Election of Directors

At the annual meeting, each Director shall be elected by the vote of the majority of the votes cast, provided that if the number of nominees exceeds the number of Directors to be elected, the Directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at the meeting and entitled to vote on the election of Directors. Directors shall hold office until the next annual meeting and until their successors shall be duly elected and qualified.

Cumulative voting shall not be allowed. Each stockholder shall be entitled, at all elections of Directors of Halliburton, to as many votes as shall equal the number of shares of stock held and owned by such stockholder and entitled to vote at such meeting for as many Directors as there are to be elected.

A person will only be eligible for election as a Director if nominated at a meeting of stockholders either by or at the direction of the Board of Directors (or nominating committee or person appointed by the Board), or by any stockholder of Halliburton who is entitled to vote for the election of Directors at the meeting in accordance with Section 6 of the By-laws and the requirements of the Securities and Exchange Act of 1934, as amended.

Vacancies caused by the death or resignation of any Director and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a vote of at least a majority of the Directors then in office, though less than a quorum, and the Directors so chosen shall hold office until the next annual meeting of the stockholders.

(c) Directors

The property and business of Halliburton shall be managed by its Board of Directors. The number of Directors which shall constitute the whole Board shall not be less than eight nor more than twenty. Within these limits, the number of Directors shall be determined by resolution of the Board of Directors or by the stockholders at the annual meeting. Each Director shall be elected to serve until the next annual meeting and until the Director's successor shall be elected and shall qualify.

Each member of the Board shall be paid such fee as the Board of Directors may, from time to time, by resolution determine.

(d) Officers

The Board of Directors shall elect a President and a Secretary, and shall choose a Chairman of the Board from among its members. The Board of Directors may also elect one or more Vice Presidents (any one or more of whom may be designated Executive Vice President or Senior Vice President), one or more Assistant Secretaries, a Treasurer and one or more Assistant Treasurers, and such other officers as the Board deems appropriate. Each such officer shall hold office after his or her election until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any officer may resign at any time upon written notice to Halliburton. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with Halliburton. Any number of offices may be held by the same person. Any vacancy occurring in any office of Halliburton by death, resignation, removal, or otherwise may be filled by the Board of Directors at any regular or special meeting.

The officers of Halliburton shall have such powers and duties in the management of Halliburton as may be prescribed in a resolution by the Board of Directors and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board of Directors. The Board of Directors may require any officer, agent or employee to give security for the faithful performance of his or her duties.

(e) Capital Stock

Shares

The shares of Halliburton shall be represented by certificates or shall be uncertificated. Each registered holder of shares, upon request to Halliburton, shall be provided with a certificate of stock, representing the number of shares owned by such holder.

The Board of Directors shall have power and authority to make such rules and regulations as it may deem expedient concerning the issue, transfer and registration of uncertificated shares or certificates for shares of stock of Halliburton.

Share certificates shall be in such form as shall be approved by the Board of Directors. All certificates shall be signed by the Chairman of the Board, the President, or any Vice President, and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary, of Halliburton, and countersigned by an independent transfer agent and registered by an independent registrar.

Transfer of Shares

Upon surrender to Halliburton or the transfer agent of Halliburton of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, Halliburton shall issue or cause to be issued uncertificated shares or, if requested by the appropriate person, a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books. Upon receipt of proper transfer instructions from the registered owner of uncertificated shares, such uncertificated shares shall be cancelled, the issuance of new equivalent uncertificated shares shall be made to the person entitled thereto and the transaction shall be recorded upon the books of Halliburton.

(f) Dividends

Dividends upon the capital stock may be declared by the Board at any regular or special meeting.

(g) Amendment or Repeal of By-laws

The By-laws may be altered or repealed at any regular meeting of the stockholders, or at any special meeting of the stockholders at which a quorum is present or represented, provided notice of the proposed alteration or repeal be contained in the notice of such special meeting, by the affirmative vote of the majority of the stockholders entitled to vote at such meeting and present or represented thereat, or by the affirmative vote of the majority of the Board of Directors at any regular meeting of the Board, or at any special meeting of the Board, if notice of the proposed alteration or repeal be contained in the notice of such special meeting.

22. MATERIAL CONTRACTS

Other than as set out in this paragraph 22 below, (i) Halliburton has no material contracts, other than contracts entered into in the ordinary course of business, to which it or any member of the Group is a party, for the two years immediately preceding publication of this document, and (ii) there are no other contracts (not being a contract entered into in the ordinary course of business), which have been entered into by any

member of the Group which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document.

Revolving Credit Agreement

On February 22, 2011, Halliburton entered into a Five Year Revolving Credit Agreement among Halliburton, as Borrower, the Banks party thereto, and Citibank, N.A. as Administrative Agent. The issuing banks are Citibank, N.A., The Royal Bank of Scotland plc, Deutsche Bank AG New York Branch, and HSBC Bank USA, National Association, and any of their respective Affiliates. In April 2013, we executed an amendment to our revolving credit facility, which increased the capacity from $2.0 billion to $3.0 billion and extended the maturity to 2018. The credit facility is unsecured and provides us with commercial paper support, general working capital, and credit for other corporate purposes. Annual commitment fees for the $3.0 billion credit facility are approximately $2.4 million. There were no borrowings and, therefore, no interest fees under this facility through March 31, 2013.

We have no financial covenants or material adverse change provisions in our bank arrangements.

23. STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

The statements and reports in this document are set out in the published annual report and audited accounts of the Company for the three financial years ended December 31, 2012. Where information has been sourced from a third party, such information has been accurately reproduced and, as far as Halliburton is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The descriptions of the investigative reports relating to the Macondo well incident that are included in this Prospectus are only summaries of those reports, all of which are publicly available, and do not purport to be complete.

24. DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection at the offices of Orrick, Herrington & Sutcliffe (Europe) LLP, 107 Cheapside, London, EC2V 6DN during normal business hours on any weekday (excluding Saturdays, Sundays and UK public holidays) from the date of this document until [___], 2014.

24.1 the Restated Certificate of Incorporation of Halliburton and the By-laws of Halliburton;

24.2 Halliburton Company Stock and Incentive Plan;

24.3 Halliburton Company Non-Qualified Stock Purchase Plan;

24.4 First Amendment to Halliburton Company Non-Qualified Stock Purchase Plan dated February 10, 2011;

24.5 Second Amendment to Halliburton Company Non-Qualified Stock Purchase Plan dated December 11, 2012;

24.6 Halliburton Company Employee Stock Purchase Plan;

24.7 First Amendment to Halliburton Company Employee Stock Purchase Plan dated February 10, 2011;

24.8 Second Amendment to Halliburton Company Employee Stock Purchase Plan dated December 11, 2012;

24.9 Restricted Stock Agreement;

24.10 Non-statutory Stock Option Agreement;

24.11 Halliburton Company UK Employee Share Purchase Plan, available to employees in the UK;

24.12 Form 10-K for the year ended December 31, 2010;

24.13 Form 10-K for the year ended December 31, 2011;

24.14 Form 10-K for the year ended December 31, 2012;

24.15 Halliburton Company 2013 Proxy Statement for the 2013 Annual Meeting of Shareholders;

24.16 Form 10-Q for the quarter ended March 31, 2013; and

24.17 this Prospectus.

25. INFORMATION ON HOLDINGS

Halliburton is the ultimate parent company of a multi-national group of companies. Halliburton's significant subsidiaries, all of which are wholly owned within the Halliburton group, are as follows:

Name of subsidiary	State or Country of Incorporation
Baroid International Trading, LLC	United States, Delaware
BITC Holdings (US) LLC	United States, Delaware
Halliburton (Barbados) Investments SRL	Barbados
Halliburton Affiliates, LLC	United States, Delaware
Halliburton AS	Norway
Halliburton Brazil Holdings B.V	Netherlands
Halliburton Canada Corp.	Canada, Alberta
Halliburton Canada Holdings B.V.	Netherlands
Halliburton Canada Holdings, LLC	United States, Delaware
Halliburton Canada ULC	Canada, Alberta
Halliburton de Mexico, S. de R.L. de C.V.	Mexico
Halliburton Energy Services, Inc.	United States, Delaware
Halliburton Far East Pte Ltd	Singapore
Halliburton Global Affiliates Holdings B.V.	Netherlands
Halliburton Group Canada	Canada
Halliburton International, Inc.	United States, Delaware
Halliburton International Holdings	Bermuda
Halliburton Investments B.V.	Netherlands
Halliburton Latin America S.A., LLC	United States, Delaware
Halliburton Luxembourg Holdings S.à r.l.	Luxembourg
Halliburton Luxembourg Intermediate S.à r.l.	Luxembourg
Halliburton Norway Holdings C.V.	Netherlands
Halliburton Operations Nigeria Limited	Nigeria
Halliburton Overseas Limited	Cayman Islands
Halliburton Partners Canada ULC	Canada, Alberta
Halliburton Servicos Ltda.	Brazil
Halliburton U.S. International Holdings, Inc.	United States, Delaware
Halliburton Worldwide GmbH	Switzerland
HES Corporation	United States, Nevada
HES Holding, Inc.	United States, Delaware
HESI Holdings B.V.	Netherlands
Kellogg Energy Services, Inc.	United States, Delaware
Landmark Graphics Corporation	United States, Delaware
Oilfield Telecommunications, LLC.	United States, Delaware

26. SHARE SECURITIES INFORMATION

The information set out in this paragraph 26 includes that required by Annex III of the Prospectus Rules.

26.1 Key information

26.1.1 Working capital

In the opinion of Halliburton, the working capital of the Group is sufficient for the Group's present requirements, and at least for the period of twelve months following the date of this document.

26.1.2 Capitalization and indebtedness

At March 31, 2013, we held cash and equivalents of $2.0 billion compared to $2.5 billion at December 31, 2012, and $2.7 billion at December 31, 2011. At March 31, 2013, we also held $418 million of investments in fixed income securities (both short- and long-term) compared to $398 million at December 31, 2012. At December 31, 2011, we held 150 million of investments in fixed income securities (short-term). Please refer to paragraph 10 of this Prospectus for further information on Halliburton's capital resources and to paragraph 4 (Selected Financial Information) for a capitalization and indebtedness table.

26.1.3 Interests of natural and legal persons involved in the issue/offer

There are no interests, including conflicting ones, that are material to the offer.

26.1.4 Reasons for the offer and use of proceeds

The purpose of the Stock Plans is to encourage employee stock ownership by offering employees of Halliburton and participating Subsidiaries the ability to purchase Common Stock at discounted prices and without brokerage costs. By means of the Stock Plans, Halliburton seeks to retain the services of its international employees and to provide incentives for such international employees to exert maximum efforts for the success of Halliburton.

We believe that the Stock Plans offer a convenient means for our employees who might not otherwise own our Common Stock to purchase and hold Common Stock and that the discounted sale feature of the Stock Plans offers a meaningful incentive to participate. We also believe that our employees' continuing economic interests as shareholders in our performance and success will further enhance our entrepreneurial spirit and can contribute to our potential for growth and profitability.

Halliburton is the issuer of the securities offered pursuant to the Stock Plans. The Common Stock we issue under the Stock Plans may be authorized but unissued shares or reacquired shares, bought on the open market or otherwise. The proceeds of any acquisition of Common Stock pursuant to the Prospectus, to the extent received by Halliburton or its Subsidiaries, will be used for general corporate purposes.

In May 2009, Halliburton shareholders approved proposals to amend and restate the 1993 Stock and Incentive Plan and the 2002 Employee Stock Purchase Plan. Amendments to these plans included renaming the plans and replenishing the pools of Common Stock available for issuance under the Stock Plans.

In May 2012, Halliburton shareholders approved an amended and restated Stock and Incentive Plan ("SIP") to add an additional 25 million shares for issuance under the SIP. There was no change in the number of shares previously approved under the Employee Stock Purchase Plan. This Prospectus covers the maximum amount of shares of Common Stock reserved for issuance under the Stock Plans pursuant to such May 2009 and May 2012 shareholder approvals. This maximum amount was, as at December 31, 2012, up to 42.5 million shares of Common Stock.

On February 20, 2013, the Board of Directors approved an amended and restated Stock and Incentive Plan ("SIP"), subject to shareholders' approval, to add an additional 14.2 million shares for issuance under the SIP. The amended SIP will be submitted for shareholders' approval at the 2013 Annual Meeting on May 15, 2013. There was no change in the number of shares previously approved under the Employee Stock Purchase Plan.

26.2 Information concerning the securities to be offered/admitted to trading

26.2.1 Only Common Stock will be issued pursuant to the Stock Plans. The ISIN ("International Security Identification Number") of the Common Stock is US4062161017. The Common Stock is listed on the NYSE. All outstanding shares of Common Stock are fully paid.

26.2.2 The Common Stock is created and issued pursuant to the laws of the State of Delaware and in compliance with the federal laws of the USA.

26.2.3 The Common Stock is issued in registered form and in uncertificated form (or, upon request, certificated form). The records of the Company's stockholders are maintained by our registrar, Computershare Shareowner Services LLC, 480 Washington Blvd., Jersey City, New Jersey 07310, USA.

26.2.4 The Common Stock is denominated in U.S. Dollars.

26.2.5 A description of the rights attached to the Common Stock is set out in paragraph 21.2 of this Prospectus.

26.2.6 No takeover bids by third parties in respect of Halliburton's equity have occurred during the last financial year or the current financial year.

26.2.7 Dividends paid by US companies to non-US resident shareholders are subject to withholding tax at the rate of 30%. This is reduced to 15% under Article 10 of the US/UK double taxation treaty for UK resident individuals qualifying under the treaty. UK resident individuals are then subject to UK income tax at their marginal rate on the gross amount of the dividend plus the withholding. Credit is then given for the US tax withheld against the UK income tax liability on the distribution. No credit is given in relation to the underlying US tax suffered by the US company on its corporate profits. Any withholding tax under US law will be withheld by the US company which will be responsible for accounting to the relevant US fiscal authorities for the amounts withheld.

26.3 Terms and condition of the offer

The total amount of the offer under the Stock Plans is set out in each of the Stock Plans.

Halliburton Company Stock and Incentive Plan ("SIP"): Under the SIP, 158,000,000 shares of Common Stock have been reserved through December 31, 2012. Any individual holder may be granted rights under the SIP of up to 1,000,000 shares of Common Stock in any one year, and the cash value of any performance award may not exceed $20,000,000. At December 31, 2012, there were approximately 28,000,000 shares available for future grants under the SIP.

Other Stock Plans: Under the Halliburton Company Non-Qualified Stock Purchase Plan ("NQESPP"), Halliburton Company Employee Stock Purchase Plan ("ESPP"), and Halliburton Company UK Employee Share Purchase Plan, 44,000,000 shares of Common Stock have been reserved through December 31, 2012. The maximum number of shares that any individual participant may purchase in a purchase period is 10,000 shares under the NQESPP and ESPP. In addition there is an annual $25,000 individual limit per calendar year under the ESPP. Under the Halliburton Company UK Employee Share Purchase Plan, the Company may from time to time determine the maximum number of shares that may be awarded as Matching Shares or Free Shares. At December 31, 2012 there were approximately 14,500,000 shares available for future issuance under the Other Stock Plans.

26.3.1 The terms and conditions of the Stock Plans are set out in Part II of this document.

26.3.2 Withdrawal by Participants

Participants may withdraw from the relevant Stock Plans as described in Part II of this document by service of the required notice.

A supplementary prospectus must be published by the Company if a significant new factor arises or is noted which relates to the information included in the Prospectus or if a material mistake or inaccuracy arises or is noted which relates to the information included in the Prospectus. A "significant new factor" includes the filing of interim consolidated financial statements or annual audited consolidated financial statements for the Company with the SEC.

If a supplementary prospectus is published, there is a legal requirement under Section 87Q of the Financial Services and Markets Act 2000, and Article 16 of the Prospectus Directive and related legislation applying in the EEA, that Participants are given the right to withdraw (subject to the terms of such legislation) from participating in the relevant Stock Plan. This means that a Participant may provide notice to the Plan Administrator to withdraw his/her prior acceptance (represented by his/her prior participation form), and terminate future payroll deductions and thereby withdraw from the relevant Stock Plan, with effect from the date of such notice. Such

notice may be served at any time during the period commencing on the date the interim consolidated financial statements or annual audited consolidated financial statements for the Company are filed with the SEC and published, and ending two working days after the supplementary prospectus has been approved by the UK Financial Conduct Authority. This statutory right of withdrawal is in addition to the Participant's right to withdraw under the Stock Plans.

To validly exercise the above statutory withdrawal rights, a Participant must serve notice of their withdrawal on or before the end of the period of two working days beginning on the first working day after the date on which any such supplementary prospectus is published pursuant to Section 87Q(4) of FSMA (the "withdrawal period")). A notice of withdrawal may only be served by the following methods:

UK Tax Residents:

A UK Tax Resident may withdraw from the UK Share Purchase Plan with immediate effect by sending an email to Halliburton Total Compensation at FHOUESPP (resources.hou.fhouespp@halliburton.com). Halliburton Total Compensation will immediately stop the Participant's contributions; update his/her participation status, and send a confirmation email back to the employee indicating the withdrawal request is complete. Halliburton Total Compensation will then inform Computershare Plan Managers, the Company's Stock Plan administrator in the UK of the withdrawal.

Non-UK Tax Residents:

Withdrawal online: A Participant may withdraw from a Stock Plan with immediate effect by accessing his/her account with the Company's shareholder services provider, Fidelity Investments, at www.netbenefits.fidelity.com and submitting a notice of withdrawal online.

Withdrawal by telephone: A Participant may withdraw from a Stock Plan with immediate effect by telephoning one of the numbers below and making a declaration of withdrawal from the relevant Stock Plan. Participants will need their Employee ID (SAP/Payroll ID) and relevant PIN:

+1-800-544-9354 (if telephoning from the United States during customer service hours of 4:00 p.m. Central Time on Sunday through 11:00 p.m. Central Time on Friday), or

+1-800-544-0275 (if telephoning from outside the United States during customer service hours of 8:00 a.m. to 8:00 p.m. local time Monday through Friday)

If a Participant is in any doubt about the above statutory withdrawal rights, he/she should consult an independent financial adviser in the relevant country concerned before taking any action. The tax consequences associated with participation in a Stock Plan (and any withdrawal therefrom) can vary depending on the Participant's country of residence and other factors. Participants should consult their own tax advisers to understand how participation in, or withdrawal from, a Stock Plan will affect their tax situation.

26.4 Admission to trading and dealing arrangements

26.4.1 The Common Stock issued pursuant to the Stock Plans will not be the subject of an application for admission to trading on a regulated market in the EEA. It will be admitted to trading only on the NYSE, subject to application for any approval by that body. Admission to trading on the NYSE will not necessarily be approved.

26.4.2 Common Stock of the same class as the Common Stock to be issued to Participants under the Stock Plan is listed only on the NYSE.

26.5 Selling securities holders

While the Common Stock issued under the Stock Plan may be reacquired shares bought on the open market or otherwise, no selling shareholders have as at the date of this document been identified.

26.6 Expense of the issue/offer

26.6.1 The total net proceeds of any exercise of Purchase Rights during an Offering Period (each such capitalized term as defined in the relevant Stock Plans) will vary from Offering Period to Offering

Period. Based on the volume of shares purchased by eligible employees in the 2012 financial year, we estimate that offers made under the Stock Plans during such period generated in aggregate proceeds of up to $2.0 million. It is not possible to estimate a reasonable or maximum level of acceptances that will result from eligible employees to the offers made under this Prospectus for the 2013 financial year, however, Halliburton is not aware of any material facts or circumstances to indicate that net proceeds from the offers made under the Stock Plans pursuant to this Prospectus will differ from the 2012 financial year to any material extent.

26.6.2 The estimated expenses in relation to the production, approval and passporting of the Prospectus (including estimated professional fees and translation fees) are approximately £150,000. Halliburton has not engaged a sponsor or financial adviser in relation to the preparation and approval of the Prospectus.

26.7 Dilution

The maximum number of shares of Common Stock available for future issuance under the Stock Plans, as at December 31, 2012, was 42.5 million shares of Common Stock. This number represents approximately 4.0% of the 1,073 million shares of Common Stock in issue on December 31, 2012. Also, some of the Common Stock purchased by Participants at the end of an Offering Period may be existing shares, which purchases would therefore have no dilutive effect on the number of shares of Common Stock in issue. Accordingly, no material dilution will take place pursuant to any issuance or purchase of Common Stock pursuant to the Stock Plans.

26.8 Additional information

There are no advisers connected with the issue of Common Stock mentioned in this document. No corporate finance adviser, sponsor or promoter has been engaged by Halliburton in relation to the Stock Plans.

June 10, 2013

PART II

INFORMATION ABOUT STOCK PLANS INCLUDING APPLICATION FORMS AND DIRECTIONS FOR COMPLETION

Part II contains information about the employee Stock Plans which Halliburton may operate in countries within the EEA. This information is either required by the Prospectus Directive or is information which we think you will find useful. The detailed information regarding specific offers or grants under any of the employee stock plans will be communicated directly to the employees concerned.

Please note, the employee Stock Plans are not offered to everybody. Some are discretionary plans and are not offered to employees generally. Others may be offered to all employees who meet the eligibility criteria.

Please note also that Halliburton is under no obligation to make awards under its employee Stock Plans – it is free to decide whether, when, where and how to operate any of its plans. It is also free to terminate any of its plans as regards future participation.

Employees based in the EEA may be eligible to participate in the following Halliburton Stock Plans (subject to their terms).

The tax consequences associated with participation in these plans can vary greatly depending on the participant's country of residence and other factors. Participants should consult their own tax advisers to understand how participation in the employee stock plans will affect their tax situation.

Halliburton Company Stock and Incentive Plan (as amended and restated February 20, 2013)

The Halliburton Company Stock and Incentive Plan ("SIP") is designed to give eligible employees the opportunity to own shares of Common Stock in the Company. The SIP allows for incentive and reward opportunities designed to assist in attracting, motivating and retaining key employees and to enhance the Company's long-term growth prospects. A further purpose of the Plan is to give the Company the ability to attract and retain highly qualified directors. The SIP is open to eligible employees in the EEA.

Eligibility: Employees or non-employee directors of the Company or any parent corporation or subsidiary of the Company are eligible for the SIP at the discretion of the Compensation Committee of the Board of Directors of Halliburton. No eligible employee will be deemed to have a right to participate. The SIP allows incentives to be structured in one or more different ways, described below.

***Grant Procedure*:** Participation under the SIP is at the discretion of the Compensation Committee. Participants are notified of their awards on an individual basis, either verbally or in writing. Participants must then access the relevant sections of the Company's intranet and print their individual award documentation. Corporate and ESG stock recipients should refer to:

http://halworld.corp.halliburton.com/hr/hr_hes/hr_hes_esgcomp/esgcomp_incentives_long.asp

http://sapportal.corp.halliburton.com/irj/servlet/prt/portal/prtroot/com.halliburton.esg.erp.zelc.stockempview.default

Such information contained on the Company's intranet shall not be incorporated by reference in this Prospectus. Those without intranet access can obtain hard copies by contacting the Company's Executive Compensation department. Participants are required to return a signed agreement within 60 days of receipt).

Limits: Under the SIP, 158,000,000 shares of Common Stock have been reserved through December 31, 2012. Any individual holder may be granted rights under the SIP up to 1,000,000 shares of Common Stock in any one year, and the cash value of any performance award may not exceed $20,000,000.

Stock Options ("Options"): Options to purchase stock are implemented using a stock option agreement (an example of which is set out below). The exercise period will be specified by the Compensation Committee, but must not exceed ten years from the date of grant. The Option price will be set by the Compensation Committee but will not be less than the fair market value (by reference to the closing price of Common Stock on the NYSE).

Stock Appreciation Rights ("SARs"): SARs consist of rights to receive an amount equal to the excess of the fair market value of a share of Common Stock on the date such right is exercised. The amount will be payable in cash or shares in Common Stock at the discretion of the Compensation Committee. Where

SARs are granted alongside Options, any exercise of the SAR will result in the surrender of the Option to which it relates. Where SARs are granted independently of Options, a stock appreciation rights agreement must be signed between the Company and the holder. The exercise price will be set by the Compensation Committee but will not be less than the fair market value (by reference to the closing price of Common Stock on the NYSE). The exercise period will be specified by the Compensation Committee, but must not exceed ten years from the date of grant.

Restricted Stock Awards ("RSAs"): RSAs are awards of Common Stock which have restrictions placed upon them, generally for at least three years from the date of grant. RSAs are implemented using a Restricted Stock Agreement (an example of which is set out below). During the restriction period, the holder is entitled to receive dividends and vote where applicable. The Company will normally retain custody of the stock during the restriction period so that the holder will not be entitled to sell, transfer, pledge, exchange or dispose of the stock during that time. The holder will not generally be required to make payment for the stock.

Restricted Stock Unit ("RSU") Awards: An RSU is a unit evidencing the right to receive one share of Common Stock or an equivalent value equal to the fair market value of a share of Common Stock that is restricted or subject to forfeiture provisions. RSUs are implemented using a Restricted Stock Unit Agreement (an example of which is set out below). During the restriction period, the holder may receive or accumulate cash dividend equivalent payments. The holder will not generally be required to make payment for the stock received pursuant to an RSU award.

Performance Awards: Performance Awards are subject to certain objective performance criteria measured over a specified period, in each case as specified by the Compensation Committee. The criteria may be based on measures such as earnings, cash flow, shareholder return, revenues, operating profits, net profits, earnings per share, stock price, cost reduction goals, debt to capital ratio, financial return ratios, profit margin/return and market share. Based on the achievement of the performance measures, the holder may receive payment in cash or Common Stock as determined by the Compensation Committee.

Stock Value Equivalent Awards ("SVEAs"): SVEAs are rights to receive a cash sum equal to the fair market value of Common Stock or any appreciation in such value over a specified period. Such awards do not require the holder to make payment of any sort except as required by operation of law.

Corporate Change: In the event of a corporate change (as defined in the Plan, including a third party acquiring a shareholding representing 20% or more of the combined voting power of the Company's then-outstanding security, certain changes in composition of the Board, certain mergers or consolidations or liquidation or dissolution) awards under the Plan are generally deemed to be vested, restrictions lapse and performance measures are deemed achieved.

***Termination of Service*:** Awards will generally be subject to lapse or forfeiture upon termination of service, except in circumstances determined by the Compensation Committee, which may include normal retirement, death or disability.

Restrictions on Transfer: An award is not generally transferable other than by will or the laws of descent and distribution.

Amendment or Termination of the Plan: The Board may at its discretion terminate, alter or amend the Plan provided the holder's rights are not thereby impaired or, if they are, the holder's permission is obtained. Material amendments require the approval of Halliburton's stockholders.

***Governing Law*:** The Plan and all awards under it are governed by and construed in accordance with the laws of the State of Texas except where overridden by the General Corporation Law of the State of Delaware.

NONSTATUTORY STOCK OPTION AGREEMENT

David J. Lesar
Chairman of the Board
President and Chief Executive Officer

Dear Long-Term Incentive Award Recipient:

I am pleased to inform you that you have been granted a long-term incentive award authorized pursuant to the Halliburton Company Stock and Incentive Plan ("the Plan").

As you know, the Company has significant responsibilities to our employees, customers, suppliers, and local communities, but our primary responsibility is to our shareholders, who expect and deserve a fair return on their investment as well as increased value over time. In approving the Plan, the shareholders have provided an avenue for key Company employees to have the opportunity to share in the value of our Company's stock.

The Plan allows us to meet important compensation objectives and provides a means to reward employees with additional incentive and reward opportunities that are designed to encourage retention and commitment to making contributions that support the future growth and profitability of the Company. Long-term incentives are an important component of total compensation and provide reward opportunities based on the achievement of business results over a period of time exceeding one year. We use long-term incentives to achieve the following:

- reward the achievement of value creation and long-term operating results
- closely align leadership with shareholder interests
- encourage long-term perspectives and commitment

The market price of Halliburton stock reflects the investing public's perceptions about the Company. These perceptions are shaped by a number of factors that include earnings growth and return on capital as evidenced by cash value added, confidence in management, market and technological leadership and superior financial performance. Your award has been made to achieve the goal of fostering share ownership among employees who, in their current positions, have a significant effect on the Company's future.

Depending upon local law and practices, your award may be provided in one form or a combination of forms of long-term incentives such as stock options, restricted stock or restricted stock units.
In order to streamline the stock award process, we have implemented online grant acceptance of your stock awards with our stock plans administrator. You can view the terms of the stock agreement(s) and then accept or decline the agreement(s) via a secure web site. You are encouraged to action your award agreement(s) as soon as possible and to print a copy of the materials from the web site for your records.

Congratulations on being provided this opportunity!

Sincerely,
David J. Lesar

NONSTATUTORY STOCK OPTION AGREEMENT
TERMS AND CONDITIONS

Grant Date:	**<<Grant Date>>**
Grantee ("Employee"):	«Participant Name»
Aggregate Number of Shares Subject to Option:	«Number of Stock_Options»
Option Price:	$«Grant_Price»
Expiration:	Ten (10) years

This **NONSTATUTORY STOCK OPTION AGREEMENT** ("Agreement") is made as of <<Grant Date>> between **HALLIBURTON COMPANY**, a Delaware corporation (the "Company"), **and <<Participant Name>>** ("Employee").

To carry out the purposes of the **HALLIBURTON COMPANY STOCK AND INCENTIVE PLAN** (the "Plan"), by affording Employee the opportunity to purchase shares of common stock of the Company (*"Stock"*), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1.**Grant of Option**. The Company hereby irrevocably grants to Employee the right and option ("Option") to purchase all or any part of the number of shares of Stock set forth above at the option price indicated below, on the terms and conditions set forth herein and in the Plan, which Plan is incorporated herein by reference as a part of this Agreement. This Option shall not be treated as an incentive stock option within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended (the "Code").

2.**Option Price**. The purchase price of Stock to be paid by Employee pursuant to the exercise of this Option shall be «Grant_Price» per share, which has been determined to be not less than the fair market value of the Stock at the date of grant of this Option. For all purposes of this Agreement, fair market value of Stock shall be determined in accordance with the provisions of the Plan.

3.**Exercise of Option**. Subject to the earlier expiration of this Option as herein provided, this Option may be exercised, by notice to the Company at its principal executive office addressed to the attention of its Vice President and Secretary, or to the Company's agent administering the Plan, at any time and from time to time after the date of grant hereof, but, except as otherwise provided below, this Option shall not be exercisable for more than a percentage of the aggregate number of shares of Stock offered by this Option determined by the number of full years from the date of grant hereof to the date of such exercise, in accordance with the vesting details for this grant displayed in the Distribution Schedule in Net Benefits at www.NetBenefits.Fidelity.com.

This Option is not transferable otherwise than by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the Code and may be exercised during Employee's lifetime only by Employee, Employee's guardian or legal representative or a transferee under a qualified domestic relations order. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Option or of such rights contrary to the provisions hereof or in the Plan, or upon the levy of any attachment or similar process upon this Option or such rights, this Option and such rights shall immediately become null and void. This Option may be exercised only while Employee remains an employee of the Company, subject to the following exceptions:

(a)If Employee's employment with the Company terminates by reason of disability (disability being defined as being physically or mentally incapable of performing either the Employee's usual duties as an Employee or any other duties as an Employee that the Company reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing subsidiary), this Option may be exercised in full by Employee (or Employee's estate or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) at any time during the period ending on the earlier of the Expiration Date (as defined below) or the third anniversary of the date of Employee's termination of employment.

(b)If Employee dies while in the employ of the Company, Employee's estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee, may exercise this Option in full at any time during the period ending on the earlier of the Expiration Date or the third anniversary of the date of Employee's death.

(c)If Employee's employment with the Company terminates by reason of retirement, applicable management of the Company and/or business unit may recommend to the Committee or its delegate, as applicable, that this Option be retained. In such event, the Committee or its delegate, as the case may be, shall consider such recommendation and may, in the Committee's or such delegate's sole discretion, approve the retention of this Option following such retirement, in which case the Option may be exercised by Employee at any time during the period ending on the Expiration Date, but only as to the number of shares of Stock Employee was entitled to purchase on the date of such exercise in accordance with the schedule set forth above. If, after retirement as set forth above, Employee should die, this Option may be exercised in full by Employee's estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of the Employee)

during the period ending on the earlier of the Expiration Date or the third anniversary of the date of Employee's death.

(d)If Employee's employment with the Company terminates for any reason other than those set forth in subparagraphs (a) through (c) above, this Option may be exercised by Employee only during the 90 calendar days following the date on which notice of such termination was provided (which 90-day period shall not be extended by any notice period that may be specified under contract or applicable law with respect to such termination, including any "garden leave" or similar period), or by Employee's estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of the Employee) during a period of six months following Employee's death if Employee dies during such 90-day period, but in each case only as to the number of shares of Stock Employee was entitled to purchase hereunder upon exercise of this Option as of the date notice was provided of Employee's termination of employment. Any Options not exercised during the applicable period shall be automatically forfeited.

This Option shall not be exercisable in any event prior to the expiration of six months from the date of grant hereof or after the expiration of ten years from the date of grant hereof (the "Expiration Date") notwithstanding anything hereinabove contained. The purchase price of Stock as to which this Option is exercised shall be paid in full at the time of exercise (a) in cash (including check, bank draft or money order payable to the order of the Company), (b) by delivering to the Company shares of Stock having a fair market value equal to the purchase price and which Stock, if acquired from the Company, have been held by Employee for more than six months, or (c) by a combination of cash or Stock. Payment may also be made by delivery (including by facsimile transmission) to the Company of an executed irrevocable option exercise form, coupled with irrevocable instructions to a broker-dealer designated by the Company to simultaneously sell a sufficient number of the shares of Stock as to which the Option is exercised and deliver directly to the Company that portion of the sales proceeds representing the exercise price. No fraction of a share of Stock shall be issued by the Company upon exercise of an Option or accepted by the Company in payment of the purchase price thereof; rather, Employee shall provide a cash payment for such amount as is necessary to effect the issuance and acceptance of only whole shares of Stock. Unless and until a certificate or certificates representing such Stock shall have been issued by the Company to Employee, Employee (or the person permitted to exercise this Option in the event of Employee's death) shall not be or have any of the rights or privileges of a shareholder of the Company with respect to Stock acquirable upon an exercise of this Option.

Any cross-border remittance made to exercise this Option (or to transfer proceeds received upon the sale of Stock) must be made through a locally authorized financial institution or registered foreign exchange agency and may require Employee to provide to such entity certain information regarding the transaction. Employee further understands and agrees that the Company and any related company are neither responsible for any foreign exchange fluctuations between Employee's local currency and the United States Dollar that may affect the value of this Option nor liable for any decrease in the value of Stock or this Option.

4.**Withholding of Tax**. To the extent that the exercise of this Option or the disposition of shares of Stock acquired by exercise of this Option results in compensation income to Employee for federal or state income tax purposes, Employee shall deliver to the Company at the time of such exercise or disposition such amount of money or shares of Stock as the Company may require to meet its withholding obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from any cash or Stock remuneration then or thereafter payable to Employee any tax required to be withheld by reason of such resulting compensation income. Upon an exercise of this Option, the Company is further authorized in its discretion to satisfy any such withholding requirement out of any cash or shares of Stock distributable to Employee upon such exercise.

5.**Status of Stock**. The Company shall not be obligated to issue any Stock pursuant to any Option at any time, when the offering of the Stock covered by such Option has not been registered under the Securities Act of 1933, as amended (the "Act") and such other country, federal or state laws, rules or regulations as the Company deems applicable and, in the opinion of legal counsel for the Company, there is no exemption from the registration. The Company intends to use its best efforts to ensure that no such delay will occur. In the event exemption from registration under the Act is available upon an exercise of this Option, Employee (or the person permitted to exercise this Option in the event of Employee's death or incapacity), if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws.

Employee agrees that the shares of Stock which Employee may acquire by exercising this Option will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable securities laws, whether federal or state. Employee also agrees (i) that the certificates representing the shares of Stock purchased under this Option may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the shares of Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Stock purchased under this Option.

6.**Employment Relationship**. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of either the Company, a Parent Corporation or Subsidiary of the Company, or a corporation or a Parent Corporation or Subsidiary of such

corporation assuming or substituting a new option for this Option. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee or its delegate, as appropriate, and such determination shall be final.

Nothing contained in this Agreement is intended to constitute or create a contract of employment, nor shall it constitute or create the right to remain associated with or in the employ of the Company or a related company for any particular period of time. This Agreement shall not interfere in any way with the Company or a related company's right to terminate Employee's employment at any time. Furthermore, this Agreement, the Plan, and any other Plan documents are not part of Employee's employment contract, if any, and do not guarantee either Employee's right to receive any future grants under such Agreement or Plan or the inclusion of the value of any grants in the calculation of severance payments, if any, upon termination of employment.

7. Data Privacy. In order to perform its obligations under the Plan or for the implementation and administration of such Plan, the Company may collect, transfer, use, process, or hold certain personal or sensitive data about Employee. Such data includes, but is not limited to Employee's name, nationality, citizenship, work authorization, date of birth, age, government or tax identification number, passport number, brokerage account information, address, compensation and equity award history, and beneficiaries' contact information. Employee explicitly consents to the collection, transfer (including to third parties in Employee's home country or the United States or other countries, such as but not limited to human resources personnel, legal and tax advisors, and brokerage administrators), use, processing, and holding, electronically or otherwise, of his/her personal information in connection with this or any other equity award. At all times, the Company shall maintain the confidentiality of Employee's personal information, except to the extent the Company is required to provide such information to governmental agencies or other parties; such actions will be undertaken by the Company only in accordance with applicable law.

8. Mode of Communications. Employee agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or related company may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan.

To the extent Employee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Option in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

9. **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10. **Compliance with Law.** Notwithstanding anything to the contrary herein, the Company shall not be obligated to issue any Stock pursuant to any Option, at any time, if the offering of the Stock covered by such Option, or the exercise of an Option by an Employee, violates or is not in compliance with any laws, rules or regulations of the United States or any state or country.

Furthermore, Employee understands that the laws of the country in which he/she is working at the time of grant, vesting, and/or exercise of this Option (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may restrict or prevent exercise of this Option or may subject Employee to additional terms and conditions or procedural or regulatory requirements he/she is solely responsible for and will have to independently fulfill in relation to the exercise of this Option. Such requirements and other terms and conditions to this Option may be described in but are not limited to the attached Country-Specific Addendum, which constitutes part of this Agreement.

11. **Governing Law and Forum.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas without regard to principles of conflict of laws, except to the extent that it implicates matters which are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law. For purposes of resolving any dispute that may arise directly or indirectly from this Agreement, the parties hereby agree that any such dispute that cannot be resolved by the parties shall be submitted for resolution through the Halliburton Dispute Resolution Program, which Program's last step is final and binding arbitration.

12. **Other Terms**. The provisions of this Agreement are severable and if any one or more of the provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Halliburton Company
Stock and Incentive Plan (the "Plan")
Stock Option Grant Agreement
Country-Specific Addendum

This Addendum includes additional country-specific notices, disclaimers, and/or terms and conditions that may apply if you live or work in one of the countries listed below and that may be material to your participation in the Plan. This information is based on applicable securities, foreign exchange and other laws that may subject you to obligations that you solely are responsible for. However, such laws are often complex and change frequently, and the information provided is general in nature and may not apply to your specific situation. As such, the Company cannot assure you of any particular result, and you should seek your own professional legal and tax advice. Unless otherwise noted, capitalized terms shall take the definitions assigned to them under the Plan and your grant agreement. This Addendum forms part of your grant agreement and should be read in conjunction with the Plan.
Unless otherwise noted, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the U.S. This Agreement (of which this Addendum is a part), the Plan, and any other communications or materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the U.S. The issuance of securities described in any Plan-related documents is not intended for offering or public circulation in your jurisdiction.

Angola	**Foreign Exchange Information** As a resident individual over age 18, you may freely remit up to US $15,000 in foreign currency per transaction. Please note that other transaction or annual restrictions may apply.
Argentina	**Foreign Exchange Information** US dollar transactions must be conducted through financial intermediaries authorized by the Argentine Central Bank. Transactions which in the aggregate exceed US $2 million or its equivalent, per individual per month, are subject to prior approval of the Central Bank. US dollar proceeds from an option exercise or other sale of stock by a participant, when remitted to Argentina, are subject to conversion to Argentine pesos at applicable exchange rates and subject to any applicable regulations of the Central Bank. In addition, the transfer of funds into Argentina as a repatriation of a portfolio investment abroad may be subject to a 365-day deposit and holding with an Argentine financial institution. Please confirm the foreign exchange requirements with your local bank before any transfer of funds in or out of Argentina.
Australia	**Securities Law Notice** Any advice given to you in connection with the offer is general advice only, and you should consider obtaining your own financial product advice from an independent person who is licensed by ASIC to give such advice. You will receive a separate communication that provides you the relevant price and exchange rate information as of the date of this grant. The Company will make available at any time, upon your request, the Australian dollar equivalent of (as applicable) the current market price of the underlying stock subject to your restricted stock unit grant.
Brazil	**Foreign Ownership / Exchange Information** The regulations of the Central Bank of Brazil governing investments abroad are subject to change at any time, and such changes could affect your ability to exercise options or receive cash proceeds from option exercises or the sale of shares. Please check with your local equity coordinator about any currently effective restrictions before exercising your options. Additionally, you are required to report to the Central Bank of Brazil, on a yearly basis, the value of any and all assets held abroad (including Halliburton shares) if the value of such assets equals or exceeds US $100,000, as well as any capital gain, dividend or profit attributable to such assets.
Canada	**Consent to Receive Information in English (Quebec Employees)** I acknowledge that it is the express wish of the parties that this agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be written in English. Je reconnais que c'est mon souhait exprès d'avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaries intentées, directement ou indirectement, relativement à ou suite à la présente convention.
China	**Foreign Exchange Information** Following the vesting of your Options, you may exercise any or all of your vested Options

by providing irrevocable instructions to the Company's broker, which currently is Fidelity Stock Plan Services, LLC ("Fidelity"). Upon your instruction to exercise, Fidelity will simultaneously sell (out of the shares subject to the Options exercised) the number of shares that is sufficient to pay the exercise price of the Options you are exercising, as well as applicable brokerage fees.

You may immediately sell the remaining shares you receive upon the exercise of your Options or hold the shares in the Participant Trust to sell at a later date. However, you will not be permitted to move your shares out of the Participant Trust other than upon the sale of such shares.

Furthermore, you are not permitted to hold any Options or shares after 90 days following your termination of employment. This means that any vested Options must be exercised within 90 days following your termination. Any shares received from an exercise will be subject to sale by the 90th day after termination.

Due to foreign exchange restrictions in China, you are required to repatriate all proceeds that you receive from dividend payments (if any) and/or the above sale of shares to China through a domestic special-purpose foreign exchange account that Halliburton has established for this purpose. By accepting this award, you agree to this repatriation process. Fidelity will remit the proceeds from any sale of shares, less any commissions or other fees, directly to the Company's special-purpose foreign exchange account.

Under current Halliburton policy, the proceeds will then be distributed to your individual USD account, subject to Halliburton's determination that you have paid (through payroll withholdings, direct reimbursement to your employer, net share withholding, sell-to-cover, or other method as specified by Halliburton) any tax amounts that are due. Halliburton also reserves the right to transfer a portion of or all sale proceeds to the local entity or to the tax authorities to pay any tax amounts that are due, as further described below. By accepting this award, you acknowledge and agree to the following:

I acknowledge that any award I receive under the Plan is taxable as per personal income tax law of China. I accept that paying personal income tax is the individual's legal responsibility and that the employer has the obligation to withhold related personal income tax in China. I understand and agree to the below procedures to be applied to the shares I may receive upon vesting of my RSUs and/or exercise of my options and the proceeds of the sale of such shares.

1. Exchange rate: The stock sales proceeds are processed in US Dollars. However, the calculation and submission of Personal Income Tax in China ("PIT") are required to be in Chinese Yuan. I agree that the exchange rate applicable to the calculation of PIT shall be the middle rate as published by the People's Bank of China on the first calendar day of the month in which stock sale is executed.

2. Tax process: The Company will submit a tax return and make a payment on behalf of the employee. I authorize the Company to deduct personal income tax payable through my monthly payroll. I agree to make immediate payment to the Company if the salary deduction is not sufficient for the required personal income tax withholding. In addition, I authorize the Company to withhold a sufficient number of shares under my award to cover the taxes due, to sell a sufficient number of shares under my award to cover the taxes due, or to take any other measures permitted under the Plan or my award agreement to cover the taxes due.

3. Bank account: I am responsible for providing a personal domestic bank account to receive the stock sale proceeds. I am responsible for the accuracy of the account information provided to the Company and for ensuring that the bank account is able to receive deposits in US Dollars.

I acknowledge that Halliburton China will not release a portion or all of the stock sale proceeds with accrued interest (according to bank's calculation) to my designated personal bank until my payment of the full amount of the PIT is received by the Company (as evidenced by a tax payment slip).

Your grant of Options is also subject to the separate Internal Control Policy for Employees in the People's Republic of China, which is provided by your Human Resources Department. You can contact the Human Resources Department for a copy of the policy.

Please note that the foreign exchange and tax processes that are deemed necessary or advisable by the Company in order to comply with the requirements of the State Administration Foreign Exchange and other PRC laws are subject to change. The Company may unilaterally change any of the above procedures if the Company in its sole discretion seems it necessary or advisable to make such change.

Colombia	**Foreign Ownership Information** Prior approval from a government authority is not required to purchase and hold foreign securities or to receive an equity award. However, if the value of foreign investments, including the value of any equity awards, equals or exceeds US $500,000, such investments must be registered with the Colombian Central Bank by June 30th of each year.
Congo-Brazzaville	**Foreign Exchange Information** If you intend to transfer money abroad in order to exercise your Options, you may be subject to reporting and/or other filing or other pre-approval requirements, as well as a bank commission payment. It is strongly recommended that you consult your personal legal advisor with respect to such requirements.
Ecuador	**Foreign Exchange Information** Please note that a withholding tax of 2% is applied to amounts exceeding US $1,000 remitted abroad (including for the purpose of exercising Options) by any person in Ecuador by any means.
France	**Foreign Exchange Information** Residents of France with foreign account balances in excess of EUR 1 million or its equivalent must report monthly to the Bank of France. **Securities Law Notice** This offer has not been filed with the Autorité des marchés financiers. You may only participate in this offer on your own account. Any public offering of shares purchased through this offer must be made in accordance with Article L. 211-1 I of the French Monetary and Financial Code.
India	**Foreign Exchange Information** You shall take all reasonable steps to repatriate to India immediately all foreign exchange received by you as a consequence of your participation in Halliburton's stock incentive plan and in any case not later than 90 days from the date of sale of the stocks so acquired by you under the stock incentive plans. Further you shall in no case do, or refrain from doing anything, or take or refrain from taking any action, which has the effect of: (a) Delaying the receipt by you of the whole or part of such foreign exchange; or (b) Eliminating the foreign exchange in whole or in part to be receivable by you. Upon receipt or realisation of the foreign exchange in India, including in relation to any dividend payments, you shall surrender the received or realised foreign exchange to an authorised person within a period of 180 days from the date of such receipt or realisation, as the case may be. Please note that you should keep the remittance certificate received from the bank where foreign currency is deposited in the event that the Reserve Bank of India, Halliburton or your employer requests proof of repatriation.
Italy	**Foreign Exchange Information** You may be required to report on your annual tax return any transfer abroad in excess of EUR 10,000 and not delivered by an authorized Italian bank. **Data Privacy Notice** Pursuant to Legislative Decree no. 196/2003, the Controller of personal data processing is Halliburton, with registered offices at Houston, Texas, U.S.A., and its representative in Italy for privacy purposes is: Halliburton Italiana S.p.A, Contrada S. Elena s.n.c, Zona Industriale Ortona, Ortona (Chitei), Italy 66026. I understand that data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/200. The processing activity, including the communication and transfer of my data abroad, including outside of the European Union, as herein specified and pursuant to applicable laws and regulations, does not require my consent thereto as the processing is necessary for the performance of contractual obligations related to the implementation, administration and management of the Plan. I understand that the use of my data will be minimized where it is not necessary for the implementation, administration and management of the Plan. I further understand that, pursuant to Section 7 of the Legislative Decree no. 196/2003, I have the right to, including but not limited to, access, delete, update, ask for rectification of my data and stop, for legitimate reason, the data processing. Furthermore, I

	am aware that my data will not be used for direct marketing purposes.
Japan	**Foreign Exchange Information** If you acquire Shares valued at more than ¥100,000,000 in a single transaction, you must file a Securities Acquisition Report with the Ministry of Finance ("MOF") through the Bank of Japan within 20 days of the exercise of the Shares. In addition, if you pay more than ¥30,000,000 in a single transaction for the Shares at exercise of the Option, you must file a Payment Report with the MOF through the Bank of Japan by the 20th day of the month following the month in which the payment was made. The precise reporting requirements vary depending on whether the relevant payment is made through a bank in Japan. A Payment Report is required independently of a Securities Acquisition Report. Consequently, if the total amount that you pay on a one-time basis at exercise of the Option exceeds ¥100,000,000, you must file both a Payment Report and a Securities Acquisition Report.
Kazakhstan	**Foreign Exchange Information** Please note that by choosing to participate in the equity program, you hereby consent to your employer and Halliburton Company to be your agent to transfer and/or hold funds, shares, or sale proceeds for and on your behalf. Assuming your purchase of shares upon exercise of an option is less than US $100,000, you will not be subject to notification or registration requirements in respect of the transfer of funds. However, please note that the Kazakh Law on Currency Regulation requires currency repatriation. Therefore, if you sell your shares, you must transfer the proceeds to an account(s) with a Kazakh bank.
Korea	**Foreign Exchange Information** Please note that proceeds received from the sale of stock overseas must be repatriated to Korea within 18 months if such proceeds exceed US $500,000 per sale. Separate sales may be deemed a single sale if the sole purpose of separate sales was to avoid a sale exceeding the US $500,000 per sale threshold.
Kuwait	**Securities Law Notice** The information contained herein is intended solely for your use; it is confidential and privileged and is not intended to be circulated to any other person or party other than eligible employees or published by any means. You may not rely on the information contained herein for any purpose other than in relation to this offer and any share purchase or award hereunder. **Foreign Exchange Information** The transfer of funds from Kuwait in excess of KWD 3,000 must be done via wire transfer through a Kuwait-licensed bank, investment company or exchange company in compliance with Kuwait anti-money laundering legislation.
Malaysia	**Securities Law Notice** The grant of Halliburton stock incentive awards in Malaysia constitutes or relates to an 'excluded offer,' 'excluded invitation,' or 'excluded issue' pursuant to Section 229 and Section 230 of the CMSA, and as a consequence no prospectus is required to be registered with the Securities Commission of Malaysia. The award documents do not constitute and may not be used for the purpose of a public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Securities Commission in Malaysia under the CMSA.
Mexico	**Labor Law Acknowledgment** In accepting this grant, you expressly recognize that Halliburton, with registered offices at 3000 N. Sam Houston Pkwy E. Houston, TX 77032, U.S.A., is solely responsible for the administration of the Plan and accept that your participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between yourself and Halliburton since you are participating in the Plan on a wholly commercial basis and your sole Employer is Halliburton's subsidiary in Mexico for which you are employed ("Halliburton Mexico"). Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from your participation in the Plan do not establish any

rights between yourself and your employer, Halliburton Mexico, and do not form part of the employment conditions and/or benefits provided by Halliburton Mexico and any modification or suspension of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment with Halliburton Mexico. You further understand that your participation in the Plan is as a result of a unilateral and discretionary decision of Halliburton; therefore, Halliburton reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

1. The undersigned has freely elected to participate in the Plan and therefore agrees to be subject to the provisions of the Plan. The undersigned's participation in the Plan, the acquisition of Halliburton's stock and the profits or losses that may result from the undersigned's participation in the Plan shall not be deemed as part of the undersigned's salary or other remuneration having any labor relationship with Halliburton Mexico, since it is not received as consideration for the services rendered to such Subsidiary/Affiliate by the Participant.
2. Profits or losses that may result from the undersigned's participation in the Plan may substantially vary from one year to another, as per Halliburton's stock market price fluctuations; therefore, the undersigned expressly releases Halliburton Mexico and Halliburton from any liability in which the undersigned may incur by virtue of such fluctuations, including, without limitation, those losses resulting from the variation of exchange rates to buy US dollars with Mexican pesos.

3. The undersigned acknowledges having received a copy of the Plan, summarizing the terms and conditions thereof and confirms having read it and understanding such Plan's context and legal scope. The undersigned hereby agrees and expressly acknowledges willingness to be subject to the terms of the Plan, as well as to the terms and conditions of any related documents, and understands that the Plan is at the undersigned's disposal at the offices located at Servicios Profesionales Petroleros, S. de R.L. de C.V., Av. Paseo de la Reforma 389 Piso num. 9, Col. Cuauhtemoc Del. Cuauhtemoc, Entre Rio Guadalquivir y Rio Nilo, Cuauhtemoc, Mexico, Distrito Federal 06500.

Reconocimiento de la Legislación Laboral

Derivado de su aceptación de las Acciones, expresamente reconoce que Halliburton, cuyas oficinas se encuentran ubicadas en at 3000 N. Sam Houston Pkwy E. Houston, TX 77032, U.S.A., es la única responsable por la administración del Plan y acepta que su participación en el mismo y la adquisición de Acciones Ordinarias no constituye una relación de trabajo entre usted y Halliburton, toda vez que usted participa en el Plan derivado de una relación comercial y que su único patrón lo es la empresa subsidiaria de Halliburton en México, con la cual está usted contratado ("Halliburton-México") como empleado. Derivado de lo anterior, usted expresamente reconoce que el Plan y los beneficios que puedan derivarse de su participación en el mismo no establecen derecho alguno entre usted y su patrón Halliburton-México, y que no forman parte de las condiciones de trabajo y/o beneficios y contraprestaciones otorgados por Halliburton-México y que cualquier modificación o suspensión al Plan o su terminación no constituyen un cambio o terminación de los términos y condiciones de su relación de trabajo con Halliburton-México.

Asimismo, entiende que su participación en el Plan es el resultado de una decisión unilateral y discrecional por parte de Halliburton, por lo tanto, Halliburton se reserva el absoluto derecho de modificar y/o terminar su participación en cualquier momento sin responsabilidad alguna ante usted.

1. El suscrito, he elegido libremente en participar en el Plan, sujetándome a los términos establecidos en el Plan. Mi participación en el Plan, la adquisición de las acciones de Halliburton y las ganancias o pérdidas que resulten de mi participación en el Plan, no deberán ser consideradas como parte de mi salario u alguna otra remuneración que reciba como empleado de Halliburton Mexico, siendo que no forma parte de la contraprestación que recibo por los servicios que presto a dicha Subsidiaria /Afiliada como Participante.

2. Las ganancias o pérdidas que puedan resultar de mi participación en el Plan podrán variar substancialmente de un año a otro, derivado de las fluctuaciones del valor de mercado de las acciones de Halliburton, por tanto, el suscrito expresamente libera a Halliburton Mexico y Halliburton de cualquier responsabilidad en la que el suscrito pueda incurrir por virtud de dichas fluctuaciones, incluyendo, sin limitación, aquellas pérdidas que resulten de la variación en la paridad Peso- Dólar.

	3. El suscrito he recibido una copia del Plan ("Stock and incentive Plan"), mismo que contiene los términos y condiciones del mismo, y confirmo haberlo leído y entendido su alcance legal. El suscrito confirmo que es mi voluntad sujetarme a los términos del Plan, así como de los términos y condiciones de cualquier documento relacionado con dicho Plan. Es de mi conocimiento que el Plan se encuentra a mi disposición para consulta en las oficinas ubicadas en Servicios Profesionales Petroleros, S. de R.L. de C.V., Av. Paseo de la Reforma 389 Piso num. 9, Col. Cuauhtemoc Del. Cuauhtemoc, Entre Rio Guadalquivir y Rio Nilo, Cuauhtemoc, Mexico, Distrito Federal 06500.
New Zealand	**Securities Law Notice** The offer of stock options to New Zealand employees under the SIP in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002. This offer and related documentation has not been registered, filed or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (New Zealand) and is, therefore, not a prospectus or an investment statement under New Zealand law and may not contain all the information that a prospectus or investment statement under New Zealand law is required to contain. In addition to the terms of the offer as described in your Grant Agreement, this Addendum, and the Plan you are entitled to review Halliburton's most recent annual report and published financial statements. The annual report and financial statements may be found on Halliburton's website at www.halliburton.com. You may also obtain such information at no cost by contacting your Human Resources Department.
Nigeria	**Foreign Exchange Information** Your participation in the equity program and the transfer of funds abroad may be subject to documentation and reporting requirements with the bank handling the transfer and/or the Central Bank of Nigeria. It is your responsibility to fulfill any such requirements."
Pakistan	**Exchange Control Information.** Your participation in the Plan may be subject to certain terms and conditions imposed by the State Bank of Pakistan, including specifically in relation to Halliburton's Plan, as well as general foreign exchange controls. You are required immediately to repatriate to Pakistan the proceeds from the sale of the Shares. You may be required to register ownership of foreign shares with the State Bank of Pakistan using the prescribed Form V-96. You should consult your personal advisor prior to repatriation of the sale proceeds and to ensure compliance with applicable exchange control regulations in Pakistan, as such regulations are subject to frequent change. Please note that you should keep copies of any documents, certificates or invoices involving foreign currency transactions connected in any way to your participation in the Plan. You are responsible for ensuring compliance with all exchange control laws in Pakistan.
Poland	**Foreign Ownership Reporting** If you hold more than PLN 7,000,000 in foreign securities at year-end, you are required to report quarterly to the National Bank of Poland regarding the number and value of such securities. Such reports are filed on special forms available on the website of the National Bank of Poland.
Papua New Guinea	**Foreign Exchange Information** Before sending any money overseas to purchase shares and before receiving funds from the sale of any securities abroad, you will need to apply for and receive an Income Tax Clearance Certificate from the taxation authorities in Papua New Guinea, which you must then lodge with the appropriate Bank of Papua New Guinea notification form with the commercial bank in which the transaction takes place.
Russia	**Securities Law Notice** Neither this offer nor the distribution of related documentation, constitute the public circulation of securities in Russia. You will receive shares in a brokerage account held in your name outside of Russia, but a stock certificate will not be issued to you. You are not permitted to transfer any shares received under any Halliburton Company employee equity program into Russia.
Saudi Arabia	**Securities Law Notice** This document may not be distributed in the Kingdom except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective

	purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser.
Singapore	**Securities Law Notice** This grant of an Option or Restricted Stock Unit and the Common Stock to be issued upon the exercise or vesting of such Option or Restricted Stock Unit shall be made available only to an employee of the Company or its Subsidiary, in reliance of the prospectus exemption set out in Section 173(1)(f) of the Securities and Futures Act (Chapter 289) of Singapore. In addition, you agree, by your acceptance of this grant, not to sell any Common Stock within six months of the date of grant. Please note that neither this agreement nor any other document or material in connection with this offer of the Option or Restricted Stock Unit and the Common Stock thereunder has been or will be lodged, registered or reviewed by any regulatory authority in Singapore.
Spain	**Exchange Control Information.** If you are a Spanish resident, your acquisition, purchase, or sale of foreign-listed stock may be subject to ongoing annual reporting obligations with the General Directorate of International Economy and Foreign Transactions. If shares are kept abroad, you will need to submit a statistical report on an official Form D6 each January in relation to the preceding year. Additionally, a Form D8 must be submitted to the aforementioned authorities in certain circumstances.
Thailand	**Foreign Exchange Information** Please note that any dividends received from foreign stock owned and all proceeds from the sale of such stock must be remitted to Thailand and must be deposited or converted into Thai Baht with a commercial bank in Thailand within 7 days of receipt according to the Ministerial Regulation No. 13, dated 3 December 1954. In addition, please note that in case of cash exercise of stock options, you may be requested to submit certain supporting documentation to your commercial bank in relation to your options; should you require copies of Plan or other documentation for this purpose, please contact your local Human Resources department. Furthermore, if the transfer of funds abroad exceeds US $1 million per annum, participants must obtain approval from the Bank of Thailand to such remittance.
United Arab Emirates	**Securities Law Notice** This Plan has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This Plan is strictly private and confidential and has not been reviewed by, deposited or registered with the UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This Plan is being issued from outside the United Arab Emirates to a limited number of employees of Halliburton Company and affiliated companies and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the issue of any securities or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.
Venezuela	**Foreign Exchange Information** The Venezuelan exchange control regulations currently in force do not permit use of the cash purchase exercise method.
Vietnam	**Foreign Exchange Information** Please note that all exercises of Options by Vietnam citizens must be limited to the cashless exercise method and proceeds received upon exercise should be repatriated immediately to Vietnam.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its officer thereunto duly authorized, and Employee has executed this Agreement, all as of the day and year first above written.

HALLIBURTON COMPANY

By:

/s/ David J. Lesar

Chairman of the Board, President
and Chief Executive Officer

I HEREBY AGREE TO THE TERMS AND CONDITIONS, INCLUDING THE 90 DAY CONDITION SET FORTH IN SECTION 3(d), SET FORTH IN THIS NONSTATUTORY STOCK OPTION AGREEMENT DATED <<Grant Date>>.

<<Acceptance Date>>

RESTRICTED STOCK AGREEMENT

David J. Lesar
Chairman of the Board
President and Chief Executive Officer

Dear Long-Term Incentive Award Recipient:

I am pleased to inform you that you have been granted a long-term incentive award authorized pursuant to the Halliburton Company Stock and Incentive Plan ("the Plan").

As you know, the Company has significant responsibilities to our employees, customers, suppliers, and local communities, but our primary responsibility is to our shareholders, who expect and deserve a fair return on their investment as well as increased value over time. In approving the Plan, the shareholders have provided an avenue for key Company employees to have the opportunity to share in the value of our Company's stock.

The Plan allows us to meet important compensation objectives and provides a means to reward employees with additional incentive and reward opportunities that are designed to encourage retention and commitment to making contributions that support the future growth and profitability of the Company. Long-term incentives are an important component of total compensation and provide reward opportunities based on the achievement of business results over a period of time exceeding one year. We use long-term incentives to achieve the following:

- reward the achievement of value creation and long-term operating results
- closely align leadership with shareholder interests
- encourage long-term perspectives and commitment

The market price of Halliburton stock reflects the investing public's perceptions about the Company. These perceptions are shaped by a number of factors that include earnings growth and return on capital as evidenced by cash value added, confidence in management, market and technological leadership and superior financial performance. Your award has been made to achieve the goal of fostering share ownership among employees who, in their current positions, have a significant effect on the Company's future.

Depending upon local law and practices, your award may be provided in one form or a combination of forms of long-term incentives such as stock options, restricted stock or restricted stock units.

In order to streamline the stock award process, we have implemented online grant acceptance of your stock awards with our stock plans administrator. You can view the terms of the stock agreement(s) and then accept or decline the agreement(s) via a secure web site. You are encouraged to action your award agreement(s) as soon as possible and to print a copy of the materials from the web site for your records.

Please note that quarterly cash dividends are payable on restricted stock only after we have received your acceptance of the agreement. Therefore, to ensure timely administrative processing and to avoid the possibility of missing a quarterly dividend payment, please accept your restricted stock agreement promptly.

Congratulations on being provided this opportunity!

Sincerely,
David J. Lesar

RESTRICTED STOCK AGREEMENT
TERMS AND CONDITIONS

Grant Date:	**Grant Date**
Grantee ("Employee"):	**«Participant Name»**
Aggregate Number of Shares Subject to Award:	**«Number_Restricted_Shares»**

This **RESTRICTED STOCK AGREEMENT** ("Agreement") is made as of **Grant Date**, between **HALLIBURTON COMPANY**, a Delaware corporation (the "Company"), and «Participant Name» ("Employee").

1. **Award**.

(a) **Shares**. Pursuant to the Halliburton Company Stock and Incentive Plan (the "Plan") the aggregate number of shares subject to award set forth above (the "Restricted Shares") of the Company's common stock, par value $2.50 per share ("Stock"), shall be issued as hereinafter provided in Employee's name subject to certain restrictions thereon.

(b) **Issuance of Restricted Shares**. The Restricted Shares shall be issued upon acceptance hereof by Employee and upon satisfaction of the conditions of this Agreement.

(c) **Plan Incorporated**. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Shares shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. **Restricted Shares**. Employee hereby accepts the Restricted Shares when issued and agrees with respect thereto as follows:

(a) **Forfeiture Restrictions**. The Restricted Shares may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of to the extent then subject to the Forfeiture Restrictions (as hereinafter defined), and in the event of termination of Employee's employment with the Company or employing subsidiary for any reason other than (i) death or (ii) disability as determined by the Company or employing subsidiary, or except as otherwise provided in the last sentence of subparagraph (b) of this Paragraph 2, Employee shall, for no consideration, forfeit to the Company all Restricted Shares to the extent then subject to the Forfeiture Restrictions. The prohibition against transfer and the obligation to forfeit and surrender Restricted Shares to the Company upon termination of employment are herein referred to as "Forfeiture Restrictions." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of Restricted Shares.

(b) **Lapse of Forfeiture Restrictions**. The Forfeiture Restrictions shall lapse as to the Restricted Shares in accordance with the vesting details for this grant displayed in the Distribution Schedule in Net Benefits at www.NetBenefits.Fidelity.com.

Notwithstanding the foregoing, the Forfeiture Restrictions shall lapse as to all of the Restricted Shares on the earlier of (i) the occurrence of a Corporate Change (as such term is defined in the Plan), or (ii) the date Employee's employment with the Company is terminated by reason of death, or disability (as determined by the Company or employing subsidiary). In the event Employee's employment is terminated for any other reason, including retirement with the approval of the Company or employing subsidiary, the Committee which administers the Plan (the "Committee") or its delegate, as appropriate, may, in the Committee's or such delegate's sole discretion, approve the lapse of Forfeiture Restrictions as to any or all Restricted Shares still subject to such restrictions, such lapse to be effective on the date of such approval or Employee's termination date, if later.

(c) **Certificates**. The Restricted Shares shall be represented by a stock certificate or book entry transaction registered in the name of a nominee of the Company, pursuant to which Employee shall have voting rights and shall be entitled to receive all dividends unless and until the Restricted Shares are forfeited pursuant to the provisions of this Agreement. The certificate shall bear a legend evidencing the nature of the Restricted Shares, and the Company may cause the certificate to be delivered upon issuance to the Secretary of the Company or to such other depository as may be designated by the Company as a depository for safekeeping until the

forfeiture occurs or the Forfeiture Restrictions lapse pursuant to the terms of the Plan and this award. Upon request of the Committee or its delegate, Employee shall deliver to the Company a stock power, endorsed in blank, relating to the Restricted Shares then subject to the Forfeiture Restrictions. Upon the lapse of the Forfeiture Restrictions without forfeiture, the Company shall cause a new certificate or certificates to be issued without legend or a book entry transaction registered in the name of Employee for the shares upon which Forfeiture Restrictions lapsed. Notwithstanding any other provisions of this Agreement, the issuance or delivery of any shares of Stock (whether subject to restrictions or unrestricted) may be postponed for such period as may be required to comply with applicable requirements of any national securities exchange or any requirements under any law or regulation applicable to the issuance or delivery of such shares. The Company shall not be obligated to issue or deliver any shares of Stock if the issuance or delivery thereof shall constitute a violation of any provision of any law or of any regulation of any governmental authority or any national securities exchange.

(d) **Compliance with Law**. Employee understands that the laws of the country in which he/she is working at the time of grant or lapse of Forfeiture Restrictions of the Restricted Stock or at the subsequent sale of shares of Stock granted to Employee under this Award (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject Employee to additional procedural or regulatory requirements he/she is solely responsible for and will have to independently fulfill in relation to ownership or sale of such shares.

(e) **Value of Stock**. Employee further understands and agrees that the Company and any related company are neither responsible for any foreign exchange fluctuations between Employee's local currency and the United States Dollar that may affect the value of Stock nor liable for any decrease in the value of Stock.

3. **Withholding of Tax**. To the extent that the receipt of the Restricted Shares or the lapse of any Forfeiture Restrictions results in income to Employee for federal or state income tax purposes, FICA or other applicable tax purposes, then in accordance with the Company's Business Practice, Employee shall deliver to the Company at the time of such receipt or lapse, as the case may be, such amount of shares of unrestricted Stock as the Company may require to meet its withholding obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is hereby authorized by Employee to withhold from any cash or Stock remuneration then or thereafter payable to Employee, any tax required to be withheld by reason of such resulting compensation income.

4. **Status of Stock**. Employee agrees that the Restricted Shares will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable federal or state securities laws. Employee also agrees (i) that the certificates representing the Restricted Shares may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the Restricted Shares on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares.

5. **Employment Relationship**. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of either the Company, any successor corporation or a parent or subsidiary corporation (as defined in section 424 of the Internal Revenue Code) of the Company or any successor corporation. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

Nothing contained in this Agreement is intended to constitute or create a contract of employment, nor shall it constitute or create the right to remain associated with or in the employ of the Company or a related company for any particular period of time. This Agreement shall not interfere in any way with the Company or a related company's right to terminate Employee's employment at any time. Furthermore, this Agreement, the Plan, and any other Plan documents are not part of Employee's employment contract, if any, and do not guarantee either Employee's right to receive any future grants under such Agreement or Plan or the inclusion of the value of any grants in the calculation of severance payments, if any, upon termination of employment.

6. **Data Privacy**. In order to perform its obligations under the Plan or for the implementation and administration of such Plan, the Company may collect, transfer, use, process, or hold certain personal or sensitive data about Employee. Such data includes, but is not limited to Employee's name, nationality, citizenship, work authorization, date of birth, age, government or tax identification number, passport number, brokerage account information, address, compensation and equity award history, and beneficiaries' contact information. Employee explicitly consents to the collection, transfer (including to third parties in Employee's home country or the United States or other countries, such as but not limited to

human resources personnel, legal and tax advisors and brokerage administrators), use, processing, and holding, electronically or otherwise, of his/her personal information in connection with this or any other equity award. At all times, the Company shall maintain the confidentiality of Employee's personal information, except to the extent the Company is required to provide such information to governmental agencies or other parties and such actions will be undertaken by the Company only in accordance with applicable law.

7. **Mode of Communications**. Employee agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or related company may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan.

To the extent Employee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Award in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

8. **Committee's Powers**. No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Restricted Shares.

9. **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10. **Governing Law and Forum**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas without regard to principles of conflict of laws, except to the extent that it implicates matters which are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law. For purposes of resolving any dispute that may arise directly or indirectly from this Agreement, the parties hereby agree that any such dispute that cannot be resolved by the parties shall be submitted for resolution through the Halliburton Dispute Resolution Program, which Program's last step is final and binding arbitration.

11. **Other Terms**. The provisions of this Agreement are severable and if any one or more of the provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized as of the date first above written.

HALLIBURTON COMPANY

By

/s/ David J. Lesar
Chairman of the Board, President
and Chief Executive Officer

I HEREBY AGREE TO THE TERMS AND CONDITIONS SET FORTH IN THIS RESTRICTED STOCK AGREEMENT DATED <<Grant Date>>.

<Acceptance Date>

RESTRICTED STOCK AGREEMENT
Terms and Conditions for Section 16 Officers

Grant Date:	**Grant Date**
Grantee ("Employee"):	**«First_Name» «Last_Name»**
Aggregate Number of Shares Subject to Award:	**«Number_Restricted_Shares»**
Restriction Period	**5 year restriction period**

This **RESTRICTED STOCK AGREEMENT** ("Agreement") is made as of **Grant Date**, between **HALLIBURTON COMPANY**, a Delaware corporation (the "Company"), and «First_Name» «Last_Name» ("Employee").

1. **Award**.

(a)**Shares**. Pursuant to the Halliburton Company Stock and Incentive Plan (the "Plan") the aggregate number of shares subject to award set forth above (the "Restricted Shares") of the Company's common stock, par value $2.50 per share ("Stock"), shall be issued as hereinafter provided in Employee's name subject to certain restrictions thereon.

(b)**Issuance of Restricted Shares**. The Restricted Shares shall be issued upon acceptance hereof by Employee and upon satisfaction of the conditions of this Agreement.

(c)**Plan Incorporated**. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Shares shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2.**Restricted Shares**. Employee hereby accepts the Restricted Shares when issued and agrees with respect thereto as follows:

(a)**Forfeiture Restrictions**. The Restricted Shares may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of to the extent then subject to the Forfeiture Restrictions (as hereinafter defined), and in the event of termination of Employee's employment with the Company or employing subsidiary for any reason other than (i) death or (ii) disability as determined by the Company or employing subsidiary, or except as otherwise provided in the last sentence of subparagraph (b) of this Paragraph 2, Employee shall, for no consideration, forfeit to the Company all Restricted Shares to the extent then subject to the Forfeiture Restrictions. The prohibition against transfer and the obligation to forfeit and surrender Restricted Shares to the Company upon termination of employment are herein referred to as "Forfeiture Restrictions." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of Restricted Shares.

(b)**Lapse of Forfeiture Restrictions**. The Forfeiture Restrictions shall lapse as to the Restricted Shares in accordance with the vesting details for this grant displayed in the Distribution Schedule in Net Benefits at www.NetBenefits.Fidelity.com.

Notwithstanding the foregoing, the Forfeiture Restrictions shall lapse as to all of the Restricted Shares on the earlier of (i) the occurrence of a Corporate Change (as such term is defined in the Plan), or (ii) the date Employee's employment with the Company is terminated by reason of death, or disability (as determined by the Company or employing subsidiary). In the event Employee's employment is terminated for any other reason, including retirement with the approval of the Company or employing subsidiary, the Committee which administers the Plan (the "Committee") or its delegate, as appropriate, may, in the Committee's or such delegate's sole discretion, approve the lapse of Forfeiture Restrictions as to any or all Restricted Shares still subject to such restrictions, such lapse to be effective on the date of such approval or Employee's termination date, if later.

(c)**Certificates**. The Restricted Shares shall be represented by a stock certificate or book entry transaction registered in the name of a nominee of the Company. Employee shall have voting rights and shall be entitled to receive all dividends, as well as dividend equivalents (paid when Restricted Shares are authorized prior to the dividend payment date but issued after the record date), unless and until the Restricted Shares are forfeited pursuant to the provisions of this Agreement. The certificate shall bear a legend evidencing the nature of the Restricted Shares, and the Company may cause the certificate to be delivered upon issuance to the Secretary of the Company or to such other depository as may be designated by the Company as a depository

for safekeeping until the forfeiture occurs or the Forfeiture Restrictions lapse pursuant to the terms of the Plan and this award. Upon request of the Committee or its delegate, Employee shall deliver to the Company a stock power, endorsed in blank, relating to the Restricted Shares then subject to the Forfeiture Restrictions. Upon the lapse of the Forfeiture Restrictions without forfeiture, the Company shall cause a new certificate or certificates to be issued without legend or a book entry transaction registered in the name of Employee for the shares upon which Forfeiture Restrictions lapsed. Notwithstanding any other provisions of this Agreement, the issuance or delivery of any shares of Stock (whether subject to restrictions or unrestricted) may be postponed for such period as may be required to comply with applicable requirements of any national securities exchange or any requirements under any law or regulation applicable to the issuance or delivery of such shares. The Company shall not be obligated to issue or deliver any shares of Stock if the issuance or delivery thereof shall constitute a violation of any provision of any law or of any regulation of any governmental authority or any national securities exchange.

(d) **Compliance with Law**. Employee understands that the laws of the country in which he/she is working at the time of grant or lapse of Forfeiture Restrictions of the Restricted Stock or at the subsequent sale of shares of Stock granted to Employee under this Award (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject Employee to additional procedural or regulatory requirements he/she is solely responsible for and will have to independently fulfill in relation to ownership or sale of such shares.

(e)**Value of Stock**. Employee further understands and agrees that the Company and any related company are neither responsible for any foreign exchange fluctuations between Employee's local currency and the United States Dollar that may affect the value of Stock nor liable for any decrease in the value of Stock.

3.**Withholding of Tax**. To the extent that the receipt of the Restricted Shares or the lapse of any Forfeiture Restrictions results in income to Employee for federal or state income tax purposes, FICA or other applicable tax purposes, then in accordance with the Company's Business Practice, Employee shall deliver to the Company at the time of such receipt or lapse, as the case may be, such amount of shares of unrestricted Stock as the Company may require to meet its withholding obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is hereby authorized by Employee to withhold from any cash or Stock remuneration then or thereafter payable to Employee, any tax required to be withheld by reason of such resulting compensation income.

4.**Status of Stock**. Employee agrees that the Restricted Shares will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable federal or state securities laws. Employee also agrees (i) that the certificates representing the Restricted Shares may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the Restricted Shares on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares.

5.**Employment Relationship**. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of either the Company, any successor corporation or a parent or subsidiary corporation (as defined in section 424 of the Internal Revenue Code) of the Company or any successor corporation. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

Nothing contained in this Agreement is intended to constitute or create a contract of employment, nor shall it constitute or create the right to remain associated with or in the employ of the Company or a related company for any particular period of time. This Agreement shall not interfere in any way with the Company or a related company's right to terminate Employee's employment at any time. Furthermore, this Agreement, the Plan, and any other Plan documents are not part of Employee's employment contract, if any, and do not guarantee either Employee's right to receive any future grants under such Agreement or Plan or the inclusion of the value of any grants in the calculation of severance payments, if any, upon termination of employment.

6.Data Privacy. In order to perform its obligations under the Plan or for the implementation and administration of such Plan, the Company may collect, transfer, use, process, or hold certain personal or sensitive data about Employee. Such data includes, but is not limited to Employee's name, nationality, citizenship, work authorization, date of birth, age, government or tax identification number, passport number, brokerage account information, address, compensation and equity award history, and beneficiaries' contact information. Employee explicitly consents to the collection, transfer (including to third parties in Employee's home country or the United States or other countries, such as but not limited to human resources personnel, legal and tax advisors, and brokerage administrators), use, processing, and

holding, electronically or otherwise, of his/her personal information in connection with this or any other equity award. At all times, the Company shall maintain the confidentiality of Employee's personal information, except to the extent the Company is required to provide such information to governmental agencies or other parties and such actions will be undertaken by the Company only in accordance with applicable law.

7. Mode of Communications. Employee agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or related company may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan.

To the extent Employee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Award in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

8.**Committee's Powers**. No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Restricted Shares.

9.**Binding Effect**. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10.**Governing Law and Forum**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas without regard to principles of conflict of laws, except to the extent that it implicates matters which are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law. For purposes of resolving any dispute that may arise directly or indirectly from this Agreement, the parties hereby agree that any such dispute that cannot be resolved by the parties shall be submitted for resolution through the Halliburton Dispute Resolution Program, which Program's last step is final and binding arbitration.

11.Other Terms. The provisions of this Agreement are severable and if any one or more of the provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized as of the date first above written.

HALLIBURTON COMPANY

By

/s/ David J. Lesar
Chairman of the Board, President
and Chief Executive Officer

RESTRICTED STOCK UNIT AGREEMENT

David J. Lesar
Chairman of the Board
President and Chief Executive Officer

Dear Long-Term Incentive Award Recipient:

I am pleased to inform you that you have been granted a long-term incentive award authorized pursuant to the Halliburton Company Stock and Incentive Plan ("the Plan").

As you know, the Company has significant responsibilities to our employees, customers, suppliers, and local communities, but our primary responsibility is to our shareholders, who expect and deserve a fair return on their investment as well as increased value over time. In approving the Plan, the shareholders have provided an avenue for key Company employees to have the opportunity to share in the value of our Company's stock.

The Plan allows us to meet important compensation objectives and provides a means to reward employees with additional incentive and reward opportunities that are designed to encourage retention and commitment to making contributions that support the future growth and profitability of the Company. Long-term incentives are an important component of total compensation and provide reward opportunities based on the achievement of business results over a period of time exceeding one year. We use long-term incentives to achieve the following:

- reward the achievement of value creation and long-term operating results
- closely align leadership with shareholder interests
- encourage long-term perspectives and commitment

The market price of Halliburton stock reflects the investing public's perceptions about the Company. These perceptions are shaped by a number of factors that include earnings growth and return on capital as evidenced by cash value added, confidence in management, market and technological leadership and superior financial performance. Your award has been made to achieve the goal of fostering share ownership among employees who, in their current positions, have a significant effect on the Company's future.

Depending upon local law and practices, your award may be provided in one form or a combination of forms of long-term incentives such as stock options, restricted stock or restricted stock units.

In order to streamline the stock award process, we have implemented online grant acceptance of your stock awards with our stock plans administrator. You can view the terms of the stock agreement(s) and then accept or decline the agreement(s) via a secure web site. You are encouraged to action your award agreement(s) as soon as possible and to print a copy of the materials from the web site for your records.

Congratulations on being provided this opportunity!

Sincerely,
David J. Lesar

RESTRICTED STOCK UNIT AGREEMENT
TERMS AND CONDITIONS

Grant Date: **<<Grant Date>>**

Grantee ("Employee"): **«Participant Name»**

Aggregate Number of Units Subject to Award: **«Number _Restricted_Units»**

This **RESTRICTED STOCK UNIT AGREEMENT** ("Agreement") is made as of **<<Grant Date>>**, between **HALLIBURTON COMPANY**, a Delaware corporation (the "Company"), and «Participant Name» ("Employee").

1. **Award**.

(a) **Units**. Pursuant to the Halliburton Company Stock and Incentive Plan (the "Plan"), Employee is hereby awarded the aggregate number of units subject to award set forth above (the "Restricted Stock Units") evidencing the right to receive an equivalent number of shares of the Company's common stock, par value $2.50 per share ("Stock"), subject to the conditions of the Plan and this Agreement.

(b) **Plan Incorporated**. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. **Terms of Restricted Stock Units**. Employee hereby accepts the Restricted Stock Units and agrees with respect thereto as follows:

(a) **Forfeiture of Restricted Stock Units**. In the event of termination of Employee's employment with the Company or employing Subsidiary for any reason other than (i) death or (ii) disability as determined by the Company or employing Subsidiary, or except as otherwise provided in subparagraph (c) of this Paragraph 2, Employee shall, for no consideration, forfeit all Restricted Stock Units to the extent they are not fully vested as of the date on which notice of such termination was provided, and no vesting shall continue during any notice period that may be specified under contract or applicable law with respect to such termination, including any "garden leave" or similar period.

(b) **Assignment of Restricted Stock Units Prohibited**. The Restricted Stock Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of.

(c) **Vesting Schedule**. The Restricted Stock Units shall vest in accordance with the in accordance with the vesting details for this grant displayed in the Distribution Schedule in Net Benefits at www.NetBenefits.Fidelity.com, provided that Employee has been continuously employed by the Company from the date of this Agreement through the applicable vesting date:

Notwithstanding the vesting details for this grant displayed in the Distribution Schedule in Net Benefits at www.NetBenefits.Fidelity.com, the Restricted Stock Units shall become fully vested on the earlier of (i) the occurrence of a Corporate Change (as such term is defined in the Plan), or (ii) the date Employee's employment with the Company is terminated by reason of death or disability (as determined by the Company or employing Subsidiary). In the event Employee's employment is terminated for any other reason, including retirement with the approval of the Company or employing Subsidiary, the Committee which administers the Plan (the "Committee") or its delegate, as appropriate, may, in the Committee's or such delegate's sole discretion, approve the acceleration of the vesting of any or all Restricted Stock Units not theretofore vested, such vesting to be effective on the date of such approval or Employee's termination date, if later.

(d) **Shareholder Rights**. The Employee shall have no rights to dividends, dividend equivalents or any other rights of a shareholder with respect to shares of Stock subject to this award of Restricted Stock Units unless and until such time as the award has been settled by the transfer of shares of Stock to the Employee.

(e) **Settlement and Delivery of Stock**. Payment of vested Restricted Stock Units shall be made as soon as administratively practicable after vesting. Settlement will be made by payment in shares of Stock or cash in accordance with the Plan. Notwithstanding the foregoing, the Company shall not be obligated to deliver any shares of Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Stock is listed or quoted. The Company shall in no event be obligated to take any affirmative action in order to cause the delivery of shares of Stock to comply with any such law, rule, regulation or agreement.

Furthermore, Employee understands that the laws of the country in which he/she is working at the time of grant or vesting of the Restricted Stock Units or at the subsequent sale of shares of Stock granted to Employee under this Award (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject Employee to additional terms and conditions or procedural or regulatory requirements he/she is solely responsible for and will have to independently fulfill in relation to ownership or sale of such shares. Such requirements and other terms and conditions to the Restricted Stock Units may be described in but are not limited to the attached Country-Specific Addendum, which constitutes part of this Agreement.

Any cross-border remittance made in relation to Restricted Stock Units (e.g., to transfer proceeds received upon the sale of Stock) must be made through a locally authorized financial institution or registered foreign exchange agency and may require Employee to provide to such entity certain information regarding the transaction. Employee further understands and agrees that the Company and any related company are neither responsible for any foreign exchange fluctuations between Employee's local currency and the United States Dollar that may affect the value of Stock nor liable for any decrease in the value of Stock.

3. **Withholding of Tax**. The Committee may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with this award of Restricted Stock Units, and, unless otherwise approved by the Committee, the Company shall either (i) reduce the number of shares of Stock that would have otherwise been delivered to Employee by a number of shares of Stock having a Fair Market Value equal to the amount required to be withheld, or (ii) withhold the appropriate amount of any taxes due in accordance with the Company's payroll procedures applicable to the Employee.

4. **Employment Relationship**. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company or any Subsidiary, or a corporation or a subsidiary of such corporation assuming or substituting a new award for this award of Restricted Stock Units. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

Nothing contained in this Agreement is intended to constitute or create a contract of employment, nor shall it constitute or create the right to remain associated with or in the employ of the Company or a related company for any particular period of time. This Agreement shall not interfere in any way with the Company or a related company's right to terminate Employee's employment at any time. Furthermore, this Agreement, the Plan, and any other Plan documents are not part of Employee's employment contract, if any, and do not guarantee either Employee's right to receive any future grants under such Agreement or Plan or the inclusion of the value of any grants in the calculation of severance payments, if any, upon termination of employment.

5. **Data Privacy**. In order to perform its obligations under the Plan or for the implementation and administration of such Plan, the Company may collect, transfer, use, process, or hold certain personal or sensitive data about Employee. Such data includes, but is not limited to Employee's name, nationality, citizenship, work authorization, date of birth, age, government or tax identification number, passport number, brokerage account information, address, compensation and equity award history, and beneficiaries' contact information. Employee explicitly consents to the collection, transfer (including to third parties in Employee's home country or the United States or other countries, such as but not limited to human resources personnel, legal and tax advisors, and brokerage administrators), use, processing, and holding, electronically or otherwise, of his/her personal information in connection with this or any other equity award. At all times, the Company shall maintain the confidentiality of Employee's personal information, except to the extent the Company is required to provide such information to governmental agencies or other parties; such actions will be undertaken by the Company only in accordance with applicable law.

6. **Mode of Communications**. Employee agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or related

company may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or website of the Company's agent administering the Plan.

To the extent Employee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Award in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

7. **Committee's Powers**. No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Restricted Stock Units.

8. **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

9. **Governing Law and Forum.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas without regard to principles of conflict of laws, except to the extent that it implicates matters which are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law. For purposes of resolving any dispute that may arise directly or indirectly from this Agreement, the parties hereby agree that any such dispute that cannot be resolved by the parties shall be submitted for resolution through the Halliburton Dispute Resolution Program, which Program's last step is final and binding arbitration.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized as of the date first above written.

HALLIBURTON COMPANY

By

/s/ David J. Lesar
Chairman of the Board, President
and Chief Executive Officer

I HEREBY AGREE TO THE TERMS AND CONDITIONS SET FORTH IN THIS RESTRICTED STOCK UNIT AGREEMENT DATED <<Grant Date>>.

<<Acceptance Date>>

Halliburton Company
Stock and Incentive Plan (the "Plan")
Restricted Stock Unit Grant Agreement
Country-Specific Addendum

This Addendum includes additional country-specific notices, disclaimers, and/or terms and conditions that may apply if you live or work in one of the countries listed below and that may be material to your participation in the Plan. This information is based on applicable securities, foreign exchange and other laws that may subject you to obligations that you solely are responsible for. However, such laws are often complex and change frequently, and the information provided is general in nature and may not apply to your specific situation. As such, the Company cannot assure you of any particular result, and you should seek your own professional legal and tax advice. Unless otherwise noted, capitalized terms shall take the definitions assigned to them under the Plan and your grant agreement. This Addendum forms part of your grant agreement and should be read in conjunction with the Plan.
Unless otherwise noted, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the U.S. This Agreement (of which this Addendum is a part), the Plan, and any other communications or materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the U.S. The issuance of securities described in any Plan-related documents is not intended for offering or public circulation in your jurisdiction.

Argentina	**Foreign Exchange Information** US dollar transactions must be conducted through financial intermediaries authorized by the Argentine Central Bank. Transactions which in the aggregate exceed US $2 million or its equivalent, per individual per month, are subject to prior approval of the Central Bank. US dollar proceeds from an option exercise or other sale of stock by a participant, when remitted to Argentina, are subject to conversion to Argentine pesos at applicable exchange rates and subject to any applicable regulations of the Central Bank. In addition, the transfer of funds into Argentina as a repatriation of a portfolio investment abroad may be subject to a 365-day deposit and holding with an Argentine financial institution. Please confirm the foreign exchange requirements with your local bank before any transfer of funds in or out of Argentina.
Australia	**Securities Law Notice** Any advice given to you in connection with the offer is general advice only, and you should consider obtaining your own financial product advice from an independent person who is licensed by ASIC to give such advice. You will receive a separate communication that provides you the relevant price and exchange rate information as of the date of this grant. The Company will make available at any time, upon your request, the Australian dollar equivalent of (as applicable) the current market price of the underlying stock subject to your restricted stock unit grant.
Brazil	**Foreign Ownership / Exchange Information** The regulations of the Central Bank of Brazil governing investments abroad are subject to change at any time and such changes could affect your ability to receive cash proceeds from your awards. Please check with your local equity coordinator about any currently effective restrictions. Additionally, you are required to report to the Central Bank of Brazil, on a yearly basis, the value of any and all assets held abroad (including Halliburton shares) if the value of such assets equals or exceeds US $100,000, as well as any capital gain, dividend or profit attributable to such assets.
Canada	**Consent to Receive Information in English (Quebec Employees)** I acknowledge that it is the express wish of the parties that this agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be written in English. Je reconnais que c'est mon souhait exprès d'avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaries intentées, directement ou indirectement, relativement à ou suite à la présente convention.
China	**Foreign Exchange Information** Upon vesting of your RSUs, shares will be issued to you and deposited in the Participant Trust. You may immediately sell such shares or hold the shares in the Participant Trust to sell at a later date. However, you will not be permitted to move your shares out of the Participant Trust other than upon the sale of such shares. Furthermore, you are not permitted to hold any RSUs or shares after 90 days following your termination of employment. If your employment with the Company or a Subsidiary terminates for any reason, your shares will be subject to sale by the 90th day after

termination of your employment.

Due to foreign exchange restrictions in China, you are required to repatriate all proceeds that you receive from dividend payments (if any) and/or the above sale of shares to China through a domestic special-purpose foreign exchange account that Halliburton has established for this purpose. By accepting this award, you agree to this repatriation process. Fidelity will remit the proceeds from any sale of shares, less any commissions or other fees, directly to the Company's special-purpose foreign exchange account.
Under current Halliburton policy, the proceeds will then be distributed to your individual USD account, subject to Halliburton's determination that you have paid (through payroll withholdings, direct reimbursement to your employer, net share withholding, sell-to-cover, or other method as specified by Halliburton) any tax amounts that are due. Halliburton also reserves the right to transfer a portion of or all sale proceeds to the local entity or to the tax authorities to pay any tax amounts that are due, as further described below. By accepting this award, you acknowledge and agree to the following:
I acknowledge that any award I receive under the Plan is taxable as per personal income tax law of China. I accept that paying personal income tax is the individual's legal responsibility and that the employer has the obligation to withhold related personal income tax in China. I understand and agree to the below procedures to be applied to the shares I may receive upon vesting of my RSUs and/or exercise of my options and the proceeds of the sale of such shares.

3. Exchange rate: The stock sales proceeds are processed in US Dollars. However, the calculation and submission of Personal Income Tax in China ("PIT") are required to be in Chinese Yuan. I agree that the exchange rate applicable to the calculation of PIT shall be the middle rate as published by the People's Bank of China on the first calendar day of the month in which stock sale is executed.

4. Tax process: The Company will submit a tax return and make a payment on behalf of the employee. I authorize the Company to deduct personal income tax payable through my monthly payroll. I agree to make immediate payment to the Company if the salary deduction is not sufficient for the required personal income tax withholding. In addition, I authorize the Company to withhold a sufficient number of shares under my award to cover the taxes due, to sell a sufficient number of shares under my award to cover the taxes due, or to take any other measures permitted under the Plan or my award agreement to cover the taxes due.

4. Bank account: I am responsible for providing a personal domestic bank account to receive the stock sale proceeds. I am responsible for the accuracy of the account information provided to the Company and for ensuring that the bank account is able to receive deposits in US Dollars.

I acknowledge that Halliburton China will not release a portion or all of the stock sale proceeds with accrued interest (according to bank's calculation) to my designated personal bank until my payment of the full amount of the PIT is received by the Company (as evidenced by a tax payment slip).
Your grant of RSUs is also subject to the separate Internal Control Policy for Employees in the People's Republic of China, which is provided by your Human Resources Department. You can contact the Human Resources Department for a copy of the policy.
Please note that the foreign exchange and tax processes that are deemed necessary or advisable by the Company in order to comply with the requirements of the State Administration Foreign Exchange and other PRC laws are subject to change. The Company may unilaterally change any of the above procedures if the Company in its sole discretion seems it necessary or advisable to make such change.

Colombia

Foreign Ownership Information
Prior approval from a government authority is not required to hold foreign securities or to receive an equity award. However, if the value of foreign investments, including the value of any equity awards, equals or exceeds US $500,000, such investments must be registered with the Colombian Central Bank by June 30th of each year.

France	**Foreign Exchange Information** Residents of France with foreign account balances in excess of EUR 1 million or its equivalent must report monthly to the Bank of France. **Securities Law Notice** This offer has not been filed with the Autorité des marchés financiers. You may only participate in this offer on your own account. Any public offering of shares purchased through this offer must be made in accordance with Article L. 211-1 I of the French Monetary and Financial Code.
India	**Foreign Exchange Information** You shall take all reasonable steps to repatriate to India immediately all foreign exchange received by you as a consequence of your participation in Halliburton's stock incentive plan and in any case not later than 90 days from the date of sale of the stocks so acquired by you under the stock incentive plans. Further you shall in no case do, or refrain from doing anything, or take or refrain from taking any action, which has the effect of: (c) Delaying the receipt by you of the whole or part of such foreign exchange; or (d) Eliminating the foreign exchange in whole or in part to be receivable by you. Upon receipt or realisation of the foreign exchange in India, you shall surrender the received or realised foreign exchange to an authorised person within a period of 180 days from the date of such receipt or realisation, as the case may be. Please note that you should keep the remittance certificate received from the bank where foreign currency is deposited in the event that the Reserve Bank of India, Halliburton or your employer requests proof of repatriation.
Italy	**Data Privacy Notice** Pursuant to Legislative Decree no. 196/2003, the Controller of personal data processing is Halliburton, with registered offices at Houston, Texas, U.S.A., and its representative in Italy for privacy purposes is: Halliburton Italiana S.p.A, Contrada S. Elena s.n.c, Zona Industriale Ortona, Ortona (Chieti), Italy 66026. I understand that data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/200. The processing activity, including the communication and transfer of my data abroad, including outside of the European Union, as herein specified and pursuant to applicable laws and regulations, does not require my consent thereto as the processing is necessary for the performance of contractual obligations related to the implementation, administration and management of the Plan. I understand that the use of my data will be minimized where it is not necessary for the implementation, administration and management of the Plan. I further understand that, pursuant to Section 7 of the Legislative Decree no. 196/2003, I have the right to, including but not limited to, access; delete; update; ask for rectification of my data and stop, for legitimate reason, the data processing. Furthermore, I am aware that my data will not be used for direct marketing purposes.
Japan	**Foreign Exchange Information** If you acquire Shares valued at more than ¥100,000,000 in a single transaction, you must file a Securities Acquisition Report with the Ministry of Finance ("MOF") through the Bank of Japan within 20 days of the exercise of the Shares.
Kazakhstan	**Foreign Exchange Information** Please note that by choosing to participate in the equity program, you hereby consent to your employer and Halliburton Company to be your agent to transfer and/or hold funds, shares, or sale proceeds for and on your behalf. In addition, the Kazakh Law on Currency Regulation requires currency repatriation. Therefore, if you sell your shares, you must transfer the proceeds to an account(s) with a Kazakh bank.
Korea	**Foreign Exchange Information** Please note that proceeds received from the sale of stock overseas must be repatriated to Korea within 18 months if such proceeds exceed US $500,000 per sale. Separate sales may be deemed a single sale if the sole purpose of separate sales was to avoid a sale exceeding the US $500,000 per sale threshold.

Kuwait	**Securities Law Notice** The information contained herein is intended solely for your use; it is confidential and privileged and is not intended to be circulated to any other person or party other than eligible employees or published by any means. You may not rely on the information contained herein for any purpose other than in relation to this offer and any share purchase or award hereunder.
Malaysia	**Securities Law Notice** The grant of Halliburton stock incentive awards in Malaysia constitutes or relates to an 'excluded offer,' 'excluded invitation,' or 'excluded issue' pursuant to Section 229 and Section 230 of the CMSA, and as a consequence no prospectus is required to be registered with the Securities Commission of Malaysia. The award documents do not constitute and may not be used for the purpose of a public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Securities Commission in Malaysia under the CMSA.
Mexico	**Labor Law Acknowledgment** In accepting this grant, you expressly recognize that Halliburton, with registered offices at 3000 N. Sam Houston Pkwy E. Houston, TX 77032, U.S.A., is solely responsible for the administration of the Plan and accept that your participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between yourself and Halliburton since you are participating in the Plan on a wholly commercial basis and your sole Employer is Halliburton's subsidiary in Mexico for which you are employed ("Halliburton Mexico"). Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from your participation in the Plan do not establish any rights between yourself and your employer, Halliburton Mexico, and do not form part of the employment conditions and/or benefits provided by Halliburton Mexico and any modification or suspension of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment with Halliburton Mexico. You further understand that your participation in the Plan is as a result of a unilateral and discretionary decision of Halliburton; therefore, Halliburton reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you. 1. The undersigned has freely elected to participate in the Plan and therefore agrees to be subject to the provisions of the Plan. The undersigned's participation in the Plan, the acquisition of Halliburton's stock and the profits or losses that may result from the undersigned's participation in the Plan shall not be deemed as part of the undersigned's salary or other remuneration having any labor relationship with Halliburton Mexico, since it is not received as consideration for the services rendered to such Subsidiary/Affiliate by the Participant. 2. Profits or losses that may result from the undersigned's participation in the Plan may substantially vary from one year to another, as per Halliburton's stock market price fluctuations; therefore, the undersigned expressly releases Halliburton Mexico and Halliburton from any liability in which the undersigned may incur by virtue of such fluctuations, including, without limitation, those losses resulting from the variation of exchange rates to buy US dollars with Mexican pesos. 3. The undersigned acknowledges having received a copy of the Plan, summarizing the terms and conditions thereof and confirms having read it and understanding such Plan's context and legal scope. The undersigned hereby agrees and expressly acknowledges willingness to be subject to the terms of the Plan, as well as to the terms and conditions of any related documents, and understands that the Plan is at the undersigned's disposal at the offices located at Servicios Profesionales Petroleros, S. de R.L. de C.V., Av. Paseo de la Reforma 389 Piso num. 9, Col. Cuauhtemoc Del. Cuauhtemoc, Entre Rio Guadalquivir y Rio Nilo, Cuauhtemoc, Mexico, Distrito Federal 06500. **Reconocimiento de la Legislación Laboral** Derivado de su aceptación de las Acciones, expresamente reconoce que Halliburton, cuyas oficinas se encuentran ubicadas en 3000 N. Sam Houston Pkwy E. Houston, TX 77032, U.S.A., es la única responsable por la administración del Plan y acepta que su participación en el mismo y la adquisición de Acciones Ordinarias no constituye una relación de trabajo entre usted y Halliburton, toda vez que usted participa en el Plan derivado de una relación comercial y que su único patrón lo es la empresa subsidiaria de Halliburton en México, con la cual está usted contratado ("Halliburton-México") como empleado. Derivado de lo anterior, usted expresamente reconoce que el Plan y los beneficios que puedan derivarse de su participación en el mismo no establecen derecho alguno entre usted y su patrón Halliburton-México, y que no forman parte de las condiciones de trabajo y/o beneficios y contraprestaciones otorgados por Halliburton-México y que cualquier modificación o suspensión al Plan o su terminación no constituyen un cambio o terminación de los

términos y condiciones de su relación de trabajo con Halliburton-México.
Asimismo, entiende que su participación en el Plan es el resultado de una decisión unilateral y discrecional por parte de Halliburton, por lo tanto, Halliburton se reserva el absoluto derecho de modificar y/o terminar su participación en cualquier momento sin responsabilidad alguna ante usted.

1. El suscrito, he elegido libremente en participar en el Plan, sujetándome a los términos establecidos en el Plan. Mi participación en el Plan, la adquisición de las acciones de Halliburton y las ganancias o pérdidas que resulten de mi participación en el Plan, no deberán ser consideradas como parte de mi salario u alguna otra remuneración que reciba como empleado de Halliburton Mexico, siendo que no forma parte de la contraprestación que recibo por los servicios que presto a dicha Subsidiaria /Afiliada como Participante.
2. Las ganancias o pérdidas que puedan resultar de mi participación en el Plan podrán variar substancialmente de un año a otro, derivado de las fluctuaciones del valor de mercado de las acciones de Halliburton, por tanto, el suscrito expresamente libera a Halliburton Mexico y Halliburton de cualquier responsabilidad en la que el suscrito pueda incurrir por virtud de dichas fluctuaciones, incluyendo, sin limitación, aquellas pérdidas que resulten de la variación en la paridad Peso- Dólar.
3. El suscrito he recibido una copia del Plan ("Stock and incentive Plan"), mismo que contiene los términos y condiciones del mismo, y confirmo haberlo leído y entendido su alcance legal. El suscrito confirmo que es mi voluntad sujetarme a los términos del Plan, así como de los términos y condiciones de cualquier documento relacionado con dicho Plan. Es de mi conocimiento que el Plan se encuentra a mi disposición para consulta en las oficinas ubicadas en Servicios Profesionales Petroleros, S. de R.L. de C.V., Av. Paseo de la Reforma 389 Piso num. 9, Col. Cuauhtemoc Del. Cuauhtemoc, Entre Rio Guadalquivir y Rio Nilo, Cuauhtemoc, Mexico, Distrito Federal 06500.

New Zealand

Securities Law Notice
The offer of stock options to New Zealand employees under the SIP in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002. This offer and related documentation has not been registered, filed or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (New Zealand) and is, therefore, not a prospectus or an investment statement under New Zealand law and may not contain all the information that a prospectus or investment statement under New Zealand law is required to contain.

In addition to the terms of the offer as described in your Grant Agreement, this Addendum, and the Plan you are entitled to review Halliburton's most recent annual report and published financial statements. The annual report and financial statements may be found on Halliburton's website at www.halliburton.com. You may also obtain such information at no cost by contacting your Human Resources Department.

Pakistan

Exchange Control Information. Your participation in the Plan may be subject to certain terms and conditions imposed by the State Bank of Pakistan, including specifically in relation to Halliburton's Plan, as well as general foreign exchange controls. You are required immediately to repatriate to Pakistan the proceeds from the sale of the Shares. You may be required to register ownership of foreign shares with the State Bank of Pakistan using the prescribed Form V-96. You should consult your personal advisor prior to repatriation of the sale proceeds and to ensure compliance with applicable exchange control regulations in Pakistan, as such regulations are subject to frequent change. Please note that you should keep copies of any documents, certificates or invoices involving foreign currency transactions connected in any way to your participation in the Plan. You are responsible for ensuring compliance with all exchange control laws in Pakistan.

Papua New Guinea

Foreign Exchange Information
Before receiving funds from the sale of any securities abroad, you will need to apply for and receive an Income Tax Clearance Certificate from the taxation authorities in Papua New Guinea, which you must then lodge with the appropriate Bank of Papua New Guinea notification form with the commercial bank in which the transaction takes place.

Poland

Foreign Ownership Reporting
If you hold more than PLN 7,000,000 in foreign securities at year-end, you are required to report quarterly to the National Bank of Poland regarding the number and value of such securities. Such reports are filed on special forms available on the website of the National Bank of Poland.

Russia	**Securities Law Notice** Neither this offer nor the distribution of related documentation constitutes the public circulation of securities in Russia. You will receive shares in a brokerage account held in your name outside of Russia, but a stock certificate will not be issued to you. You are not permitted to transfer any shares received under any Halliburton Company employee equity program into Russia.
Saudi Arabia	**Securities Law Notice** Halliburton will not request payment for the par value of the stock with respect to restricted stock unit awards granted to employees in Saudi Arabia. For recipients working in Saudi Arabia, Section X(c) of the Plan is hereby replaced in its entirety by the following: (c) Payment for Restricted Stock Unit. A Holder shall not be required to make any payment for Common Stock received pursuant to a Restricted Stock Unit Award, except to the extent otherwise required by law.
Singapore	**Securities Law Notice** This grant of an Option or Restricted Stock Unit and the Common Stock to be issued upon the exercise or vesting of such Option or Restricted Stock Unit shall be made available only to an employee of the Company or its Subsidiary, in reliance of the prospectus exemption set out in Section 173(1) (f) of the Securities and Futures Act (Chapter 289) of Singapore. In addition, you agree, by your acceptance of this grant, not to sell any Common Stock within six months of the date of grant. Please note that neither this agreement nor any other document or material in connection with this offer of the Option or Restricted Stock Unit and the Common Stock thereunder has been or will be lodged, registered or reviewed by any regulatory authority in Singapore.
Spain	**Exchange Control Information.** If you are a Spanish resident, your acquisition, purchase, or sale of foreign-listed stock may be subject to ongoing annual reporting obligations with the General Directorate of International Economy and Foreign Transactions. If shares are kept abroad, you will need to submit a statistical report on an official Form D6 each January in relation to the preceding year. Additionally, a Form D8 must be submitted to the aforementioned authorities in certain circumstances.
Thailand	**Foreign Exchange Information** Please note that any dividends received from foreign stock owned and all proceeds from the sale of such stock must be remitted to Thailand and must be deposited or converted into Thai Baht with a commercial bank in Thailand within 7 days of receipt according to the Ministerial Regulation No. 13, dated 3 December 1954.
United Arab Emirates	**Securities Law Notice** This Plan has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This Plan is strictly private and confidential and has not been reviewed by, deposited or registered with the UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This Plan is being issued from outside the United Arab Emirates to a limited number of employees of Halliburton Company and affiliated companies and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the issue of any securities or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.
Vietnam	**Foreign Exchange Information** Please note that all dividends or proceeds received from the sale of shares should be repatriated immediately to Vietnam.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its officer thereunto duly authorized, and Employee has executed this Agreement, all as of the day and year first above written.

HALLIBURTON COMPANY

By
David J. Lesar
Chairman of the Board, President
and Chief Executive Officer

I HEREBY AGREE TO THE TERMS AND CONDITIONS SET FORTH IN THIS RESTRICTED STOCK UNIT AGREEMENT DATED
<<Grant Date>>.

<<Electronic Signature>>
<<Acceptance Date>>

Halliburton Company Non-Qualified Stock Purchase Plan
(as amended and restated February 11, 2009 and amended February 10, 2011 and amended December 11, 2012)

The Plan (referred to as "NQESPP") gives eligible employees of Halliburton's designated non-US subsidiaries the opportunity to buy Common Stock in the Company at a discounted price through payroll deductions. Eligible employees may invest up to 10% of their gross eligible base pay. This Plan is open to eligible employees in the EEA.

Eligibility: Eligible employees are those employees of participating companies, excluding those working less than twenty hours per week or less than five months in any calendar year, unless local law requires the inclusion of a broader range of employees. Participating companies include the Company and those subsidiaries that have been designated by the Compensation Committee.

Application process: Eligible employees have to apply to join the Plan. The administration of the Plan has been outsourced to Fidelity Investments, a firm which specializes in such matters. Eligible employees can enroll for the Plan and can manage or terminate their participation through Fidelity Investment's website (http: //www.netbenefits.fidelity.com) or by telephone (for employees outside the USA, the number is 001-800-544-0275). Enrolment normally occurs at three-month intervals, usually in March, June, September, and December. Eligible employees will be notified of the procedure and timings for each new enrolment period.

Limits**:** Subject to the applicable statutory conditions, a maximum of 44,000,000 shares of Halliburton Common Stock may be issued under NQESPP and ESPP (a summary of which is set out below), subject to adjustment for variations in Halliburton's capital structure. The maximum number of shares that any individual participant may purchase in a purchase period is 10,000 shares.

Purchase of shares: Deductions from salary are made monthly throughout each purchase period. Deductions continue automatically until the participant gives instructions to change or terminate them. At the end of the purchase period, the payroll contributions collected during the period are applied (without interest) in purchasing whole and fractional shares of Halliburton common stock on behalf of the participant. The price is not less than 85% of whichever is the lower of the closing price on the first trading day of the purchase period or the closing price on the last trading day of the purchase period. The Plan provides for withholding for income and social taxes in accordance with local law.

Dividends: The custodian appointed by the Committee to operate the Plan will automatically reinvest any cash dividends on the stock held for each individual participant received into that Participant's account, unless the Participant elects to receive dividends in cash.

Withdrawal of shares: A Participant may at any time direct the custodian to sell all or part of the shares held by the custodian in his or her account and deliver the proceeds, less applicable expenses. A Participant may also direct the custodian to deliver to him or her all or part of the shares held in his or her account.

Withdrawal from the Plan: Participants are entitled to withdraw from the Plan before the relevant purchase date relating to a particular purchase period, by delivering to the Company a notice of withdrawal. A participant also has the statutory withdrawal rights set out in paragraph 26.3.2 of this Prospectus.

Termination of Service**:** If a participant's employment within the Group terminates for any reason, his or her participation in the Plan is automatically terminated and amounts due will be refunded to the participant as soon as practicable.

Restrictions on transfer: Stock purchase rights of participants are not generally transferable and may be exercised only by the participant during his or her lifetime.

Corporate action: There is nothing in the Plan to prevent the Company or any subsidiary from taking any corporate action that is deemed by the Company or any subsidiary to be appropriate or in its best interest.

Amendment or termination of the plan: The Board may terminate the Plan at any time with respect to stock for which stock purchase rights have not been granted. The Board may not alter or amend the Plan as regards existing entitlements unless the change does not materially impair the stock purchase rights of the participant or the participant's consent has been obtained.

Governing law: The Plan is construed in accordance with the laws of Delaware except to the extent pre-empted by U.S. Federal law.

Halliburton Company Employee Stock Purchase Plan
(as amended and restated February 11, 2009 and amended February 10, 2011 and amended December 11, 2012)

The Plan (referred to as "ESPP") is designed to provide an incentive for eligible employees to purchase shares in the Company. The Plan is designed to enable U.S. participants to benefit from certain tax advantages under U.S. tax legislation. This Plan is not generally used for employees outside the USA. As with NQESPP, the Plan gives eligible employees the opportunity to buy shares in the Company at a discounted price, through convenient payroll deductions paid to the custodian which has been appointed by the Company to operate the Plan.

Eligibility: Each employee of the Company and/or its subsidiaries is eligible for the Plan except those employees serving in a country whose laws prohibit participation in the Plan or those employed for less than twenty hours per week or less than five months in any calendar year.

Application Process: The application process is via the Fidelity Investments website as summarized above in relation to the NQESPP. An example of the award documentation and instructions for the completion of such documentation is set out in Part II of this document.

Limits: The overall and individual limits are as for NQESPP, described above. In addition there is an annual $25,000 individual limit per calendar year.

***Operation and Terms of the Plan*:** The operation and terms of the Plan are similar to the operation and terms of NQESPP, described above.

Termination of the Plan: The Board of the Company may at its discretion terminate the Plan at any time with respect to any stock for which the purchase rights are yet to be granted. The Board may also amend or alter the Plan unless that the stock purchase rights of the participants are not materially impaired or the participant's consent has been obtained.

***Governing Law*:** The plan is construed in accordance with the laws of the State of Delaware except to the extent pre-empted by U.S. Federal law.

Halliburton Company UK Employee Share Purchase Plan

The Plan is a share incentive scheme approved by HM Revenue and Customs for UK tax purposes. The Plan is designed to enable employees of designated UK subsidiaries and jointly owned companies of the Company to obtain share benefits similar to those under NQESPP but with a more favorable UK tax treatment, subject to the applicable statutory conditions. This Plan is not generally used for employees outside the UK.

Employee Eligibility: The Plan allows share benefits to be structured in different ways, including allowing eligible employees to purchase shares of Halliburton Common Stock from their pre-tax salary ("Partnership Shares") and providing additional shares at the Company's cost, in proportion to those bought by employees ("Matching Shares"). Plan shares are held by Trustees on behalf of Participants, and the payroll deductions are paid to the Trustees.

The Compensation Committee has the discretion to decide when and how the Plan is operated. Whenever the Plan is operated, all eligible employees must have an opportunity to participate on similar terms. Eligible employees are UK-resident taxpayers who, at the relevant date, have been employed throughout the relevant qualifying period and such other employees as the Company may invite to participate.

Application Process: Invitations to join the Plan may be electronic or in writing and must specify the date by which the employee must complete and return the agreement governing his or her participation in the Plan. Eligible employees have to apply to join the Plan by entering into a Partnership Share Agreement agreeing to the Plan terms and authorizing the deductions from their salary. An example of the Plan award agreement is set out in Part II of this document.

There is a procedure in place for ensuring that in advance of each new accumulation period all eligible employees who are not then participants are given the opportunity to join. Currently, this takes place half yearly, in advance of the accumulation periods beginning 1 January and 1 July.

The Partnership Share Agreements operate on a rolling basis until Participants change their instructions, or withdraw from the Plan, or until the Company decides to close the Plan.

Principal Features

Partnership Shares: The Company may invite eligible employees to acquire Partnership Shares through a Partnership Share Agreement which will bind the participating employee to allocate partnership share money by deduction from his or her salary for the purchase of Partnership Shares. The level of deductions is currently subject to a statutory maximum of £1,500 per tax year. The Company may determine that there shall be an accumulation period not exceeding 12 months during which the Trustees may accumulate deductions from a participant's salary pending the acquisition of Partnership Shares on his behalf. Participants may stop, re-start, vary or withdraw from the scheme by written notice to the Company. Currently, the Company operates 6 monthly accumulation periods.

Matching Shares: The Company may on any issue of Partnership Shares, offer Matching Shares to eligible employees under a Partnership Share Agreement. The Company must specify a Matching Ratio and the circumstances and manner in which it may be changed by the Company. The ratio of Matching Shares to Partnership Shares cannot exceed 2:1. The ratio currently adopted by the Company is 1 Matching Share for every 6⅔ Partnership Shares. This has been calculated to be broadly in line with the discount available to employees outside the UK who participate in the NQESPP.

Dividend Shares: Within statutory limits the Company may give participants the option to reinvest cash dividends received on their Plan shares in the purchase of additional shares of Halliburton Common Stock. Currently dividends on Plan Shares must be reinvested through the Plan.

Free Shares: The Plan enables the Company to offer eligible employees the opportunity to acquire shares of Halliburton Common Stock within statutory limits at no cost and on a similar terms basis ("Free Shares"). Currently Halliburton does not offer Free Shares.

When awarding Free Shares to eligible employees under the Plan, the Company must issue an invitation specifying the basis on which they will be awarded and must enclose a Participation Contract including a deadline by which it must be completed. The initial market value of the Free Shares awarded to an eligible employee in any tax year is subject to a statutory maximum of £3,000. The Free Shares comprised in an award may be determined according to remuneration, length of service or hours worked. The Company may determine that some or all of the Free Shares may be awarded according to employee performance.

Termination of Service and Forfeiture: Forfeiture does not apply to Partnership Shares. However the Company may determine that Participants shall forfeit their entitlement to Free Shares and/or Matching Shares if

they cease to hold office or employment within the Group during the specified Holding Period other than by reason of death, injury, disability, redundancy, retirement on or after age 50 or the transfer outside the Group of the Company or business which employs the Participant. Currently, Halliburton specifies a Holding Period of 3 years.

Whatever the reason for leaving, participation in the Plan will terminate upon cessation of employment.

The Plan provides for payment of or disposal of shares of Common Stock to cover tax and social security amounts where applicable in accordance with UK law.

Overall Limits: The Company may from time to time determine the maximum number of shares that may be awarded under the Plan.

Halliburton Company UK Employee Share Purchase Plan ("the Plan"):
Partnership Agreement

This agreement is between the Halliburton Company ("the Company"), EES Trustees Limited ("the Trustees") and you "the Participant":

Name: _____

SAP/Payroll No.: _____

Home Address: _____

NI Number: _____

Employing Company (please delete as appropriate): Halliburton Management Ltd / Landmark EAME

This agreement sets out the terms on which the Participant agrees to buy shares under the terms of the Plan and is subject to the rules of the Plan. The definitions in the Plan Rules apply to this agreement:

NOTICE TO PARTICIPANT ABOUT POSSIBLE EFFECT ON BENEFITS

Deductions from your pay to buy Partnership Shares under this agreement may affect your entitlement to or the level of some contributory social security benefits, statutory maternity pay and statutory sick pay. They may also have a similar effect in respect of some contributory social security benefits paid to your wife or husband. With this agreement you should have been given information on the effect of deductions from your pay to buy Partnership Shares on entitlement to social security benefits, statutory sick pay and statutory maternity pay. The effect is particularly significant if your earnings are brought below the lower earnings limit for National Insurance purposes, and is explained in the information. **It is therefore important that you read it before you sign this agreement**. If you have not been given a copy, ask your employer for it. Otherwise a copy may be obtained from any office of the Inland Revenue, the Department of Social Security, or, in Northern Ireland, the Department for Social Development. You should take the information you have been given into account in deciding whether to buy Partnership Shares.

PARTICIPANT

1. I agree to allow my employer to deduct **£** per **month** from my Salary: Insert amount between £10 and £125 (per month) and not more than 10% of salary

   OR if you are a weekly paid employee **£** per **week** from my Salary: Insert amount between £2.30 and £28.84 (per week) and not more than 10% of salary
2. I agree that these deductions will be used to buy Partnership Shares in the Company for me.
3. I agree that the EES Trustees Limited will accumulate my deductions from 1 January to 30 June and 1 July to 31 December thereafter ("the Accumulation Period") and buy Partnership Shares in the Company for me after the end of the Accumulation Period.
4. I agree to accept Matching Shares in the Company awarded to me under the Plan and to leave them in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the Holding Period of 3 years.
5. I agree that all dividends paid on my shares will be used by the Trustees to buy more shares in the Company for me according to the rules of the Plan. I agree to accept the Dividend Shares bought for me and leave them in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the Holding Period of 3 years.
6. I understand that shares may fall in value as well as rise.
7. I have read this agreement and agree to be bound by it and by the rules of the Plan.
8. **I confirm that I will be a UK tax resident at the beginning of the Accumulation Period** ☐ √ if appropriate

Important Note: You may not participate in the Plan unless you confirm your tax residency on this form

COMPANY

9. The Company agrees to arrange for shares in the Company to be bought for me, according to the rules of the Plan.
10. The Company agrees to provide 1 Matching Share for every $6^{2/3}$ Partnership Shares.
11. The Company undertakes to notify me of any restriction on the number of Partnership Shares available in the (or each) Award.

TRUSTEES

12. The Trustees agree to keep my salary deductions in Lloyds TSB Bank until they are used to buy shares in the Company for me.

Signature: _____ Date: _____

Rights and Obligations

1. I agree that taking part in the Plan does not affect my rights, entitlements and obligations under my contract of employment, and does not give me any rights or additional rights to compensation or damages if my employment ceases.
2. I may stop the deductions at any time, and begin them again only once during any Accumulation Period, by writing to my employer, but I may not make up any amounts missed when deductions were stopped.
3. I agree that the deductions from my salary, or the number of shares that I receive may be scaled down if the limit on the number of shares set by the Company for this award is exceeded.
4. I may ask the Trustees for my Partnership Shares at any time, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
5. I agree to allow the Trustees to sell some or all of my shares to pay any income tax and National Insurance Contributions in respect of my shares ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
6. I agree that any deductions not used to buy shares will at the discretion of the Trustees be repaid to me after the deduction of any necessary income tax or National Insurance Contributions, or will be carried forward and added to the next deduction or Accumulation Period.
7. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attached to my shares in the Plan, in order to fund the exercise of the rights attached to other shares held by me in the Plan.
8. I can at any time withdraw from this agreement by writing to my employer. Any unused deductions will be returned to me after the deduction of any necessary income tax or National Insurance Contributions.
9. I agree that withdrawal from this agreement will not affect the terms on which I agreed to buy shares already held for me under the Plan.

Accumulation Period

10. The Accumulation Period shall come to an end when I cease to be employed by the Company or any company under its Control or on a take-over of the Company, but this agreement shall continue until terminated by any party giving notice to the others.
11. I may only restart deductions once in every Accumulation Period.

Matching Shares

12. The ratio of Matching Shares to Partnership Shares is 1:6 $^{2/3}$ and may be varied by the Company giving me notice in advance.
13. If the ratio varies, the Company will notify me before the Partnership Shares are bought for me.

Partnership Share Money held by Trustees

14. The Trustees are under no obligation to keep the deductions in an interest-bearing account, but if they do, they will pay the interest to me.

Dividend Reinvestment

15. Cash dividends will be used to buy more shares (Dividend Shares) for me.
16. Any amount over £1,500 in each tax year will be paid to me.
17. Any amount below £1,500 not used to buy shares shall be carried forward and added to the next cash dividend to be reinvested.

Holding Period: Dividend and Matching Shares

18. I understand that my obligations during the Holding Period will end:
    a) If I cease to be in relevant employment;
    b) If the Company terminates the Plan in accordance with Rule 21.2 of the Plan and I have consented to the transfer of the Shares to me.
19. I understand that my obligations under the Holding Period are subject to:
    The right of the Trustees to sell my shares to meet PAYE and National Insurance Contribution obligations;
    b) The Trustees accepting at my direction an offer for my shares in accordance with the Plan

Inland Revenue Approval

20. The Plan has been approved by the UK Inland Revenue prior to its formal operation.

Halliburton UK Employee Share Purchase Plan
Plan Suspension Form

To : **Benefits Specialist**
Ground Floor/HR Department
Halliburton House
Howe Moss Crescent
Kirkhill Industrial Estate
Dyce
Aberdeen
AB21 0GN

From : Name : _____

Home Address: _____

_____

SAP/Payroll Number: _____

N.I. Number : _____

I hereby instruct you to suspend my partnership share contributions from the current accumulation period and request the EES Trustees Limited to:

TICK ONE BOX

Refund my accumulated contributions (see note 1 below)	
Leave accumulated contributions in account to be invested at next share purchase date	
Date Effective From:	

I understand that should I wish to re-enroll during any future enrolment period that I will need to enter into a new Partnership Share Agreement.

Note 1: All contribution refunds will be made through payroll in the first pay period upon Halliburton receiving notification from Computershare of the amount to be refunded. Refund contributions will be subject to Income Tax and NI deductions.

Signed ---------- Date ----------

PART III

HALLIBURTON HISTORICAL FINANCIAL INFORMATION

There follows Part III of this document which comprises:

Section 1: a reproduction in its entirety of the Annual Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-K for the year ended December 31, 2012.

Section 2: a reproduction in its entirety of the Annual Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-K for the year ended December 31, 2011.

Section 3: a reproduction in its entirety of the Annual Report of Halliburton pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-K for the year ended December 31, 2010.

Section 4: a reproduction in its entirety of the Halliburton Company Proxy Statement for the 2013 Annual Meeting of Stockholders on May 15, 2013.

Section 5: a reproduction in its entirety of the Quarterly Report of Halliburton Company pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934: Form 10-Q for the quarter ended March 31, 2013.