

HALLIBURTON COMPANY
REVIEW AND REPORT ON OPERATIONS IN IRAN

Whereas, since the 2001 terrorist attacks against the United States, there has been increased interest among investors and the general public concerning corporate ties to states that reportedly sponsor terrorist activity, and

Whereas, U.S. law currently restricts trade by American companies with state was designated as "sponsors of terrorism" by the U.S. State Department, and

Whereas, in February 2000 Halliburton opened an office in Iran under the name of Halliburton Products and Services Ltd., its Cayman Islands subsidiary,

Therefore, be it resolved that shareholders request that the Board of Directors establish a committee of the Board to review Halliburton's operations in Iran with a particular reference to potential financial and reputational risks incurred by the company by such operations, and

Be it further resolved that shareholders request that this review committee report to shareholders on its findings no later than September 2003. This report should be produced at reasonable cost and contain no proprietary information.

SUPPORTING STATEMENT

According to the U.S. State Department, the Iranian government has actively supported and funded terrorist operations against innocent civilians outside its own borders. These activities led to the imposition of government sanctions that provide that virtually all trade and investment activity with Iran by U.S. corporations, is prohibited. We believe that Halliburton's use of its Cayman Island subsidiary to establish operations in Tehran violates the spirit, if not the letter of the law. It also exposes the company to the prospect of negative publicity, public protests, and a loss of consumer confidence, all of which can have a negative impact on shareholder value.

In a letter dated May 8, 2001 from Laura S. Unger, Acting SEC Chairman, addressed to Representative Frank P. Wolf, U.S. House of Representatives, Ms. Unger states, "The fact that a foreign company is doing material business with a country, government or entity on OFAC's [U.S. Treasury Department's Office of Foreign Assets Control] sanctions list is, in the SEC staff's view, substantially likely to be significant to a reasonable investor's decision about whether to invest in that company." The New York City Police and Fire Department Pension Funds urge you to vote **FOR** this resolution.