



Third-Party Safety Policy

Watco Companies, L.L.C. with its subsidiaries and affiliates (collectively “**Watco**”) strives to maintain a safe and healthy workplace for its own Team Members and all vendors, truck drivers, and any other contractors (collectively “**Third Parties**”). Third Parties are responsible for the safety of their employees, agents, sub-contractors, and sub-suppliers. All Third Parties required to execute a Master Services Agreement (“**MSA**”) will be responsible for ensuring all workers under their supervision are aware of the requirements identified in this policy as follows:

- Third Party Site Safety Information has been generated at the local facility. It is the responsibility of the Third Party to retrieve and understand this information.
- Prior to initial start of work, it is the Third Party’s responsibility to obtain a Work Authorization from Facility Management. It is the Third Party’s responsibility to comply with the Work Authorization.
- All Third Parties must immediately report all incidents and near misses to Facility Management. Follow-up reports may be required following this notification.
- All Third Parties must report all federal, state, and local regulatory agency interactions while on Watco property to Facility Management.
- All Third Parties are responsible for developing and adhering to their own Safety Policies that meet or exceed federal, state, and/or local jurisdictions.
- All Third Parties must provide all Personal Protective Equipment (“P.P.E.”) labor, tools, supervision, materials, and/or equipment to allow for safe and efficient completion of work.
- All Third Parties may be subject to a safety audit by a Watco Team Member at any time. Corrective actions may be required from this audit prior to resuming work.
- All Third Parties are responsible for identifying and mitigating hazards of work to be performed. This is accomplished through existing Standard Operating Procedures, local Job Safety Analysis and/or Work Permit. Hazard Mitigation must be completed prior to performing work. Notify Facility Management of substantial quantities of chemicals used on-site. Substantial quantities are defined as solids greater than 1,000 lbs. and liquids greater than 500 gal.
- All Third Parties must coordinate Lockout Tagout and/or shut down of any Watco equipment or track with Facility Management.
- All Third Parties are responsible for notifying Facility Management prior to any Hotwork or Confined Space entry Third Parties are responsible for hazard mitigation and issuance of their own Hotwork Permit and/or Confined Space Permit.
- Unless otherwise specified, Third Parties that work between 4 and 25 feet of the nearest rail, requires a Watco Team Member to provide supervision. All Third Parties working within 4 and 25 feet of the nearest rail will be responsible for completing an online safety course prior to start of work at watcocontractor.com. This will simplify the process for meeting Watco Safety and FRA Roadway Worker Protection requirements.
- All Third Parties working on FRA regulated track will be required to provide their FRA 219 Plan and Acceptance letter and their FRA 243 Acceptance Letter during the MSA approval process.