



WATCO
COMPANIES

Watco Transportation Services, L.L.C.

Contractor Packet

Watco Transportation Services, L.L.C.

Contractor Safety Policy

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SECTION 1: Introduction/Definitions

1.1 Introduction

Watco Transportation Services, L.L.C. (Company) strives to maintain a safe and healthy workplace for all Team Members and Contractors. The purpose of this policy is to provide all Contractors will the minimum safety standards required while working on and/or adjacent to Company premises. This policy applies to all Company locations and to all Contractors and their employees and subcontractors working for Company.

1.2 Definitions

CDL: Commercial Drivers License. Defined within the Federal Motor Carrier Safety Regulations

CMV: Commercial Motor Vehicle. Defined within the Federal Motor Carrier Safety Regulations

COMPANY: Watco Companies, L.L.C. or one of its subsidiaries, affiliates and/or business units.

COMPANY REPRESENTATIVE: Any person employed or contracted to represent the company in any official capacity.

CONTRACTOR: Any company or person contracted to perform short or long-term work for the Company. References to contractor includes; contractor's workers, sub-contractors and third party inspectors and consultants.

DOT: U.S. Department of Transportation

EIC: Employee in Charge as defined by 49 CFR part 214

FRA: Federal Railroad Administration

NEAR MISS: An undesired event or a condition that, under slightly different circumstances, could have resulted in injury, damage or other loss.

PREMISES: References to Premises includes; company property, job site, job and worksite. Any real property on which Contractor will be working, whether owned by Company or not, including: facilities, terminals, roads, parking lots, pipeline right-of-ways, common areas, compressor/pump station or offices.

INCIDENT: Any act, incident, injury, occurrence, unwanted release of energy, unwanted release of product or near miss that is not considered a normal operating procedure and/or an occurrence that results in worker injury or monetary loss.

WORK: Any and all services, acts, obligations, duties and responsibilities necessary to the successful completion of the project assigned to or undertaken by Contractor under the Contract Documents, including the furnishing of all labor, services, materials, equipment and other incidentals.

SECTION 2: Contractor Evaluation Program

Contractors are required to participate in the Company's Contractor Evaluation Program. Contractors are required to understand and sign this Contractor Safety Policy and to comply with Company requirements. Additional required documentation to be submitted by Contractor is outlined in Appendix B.

Each Contractor is required to supply safety statistics to the Company. The Company requires the Contractor to have satisfactory statistical scores in each category prior to the contract award and must be maintained regularly hereafter.

Contractor's may be required to develop a project specific Health and Safety Plan (HASP).

If the Contractor should choose to hire subcontractors, the Contractor will provide immediate notice to the Company. Subcontractors are also required to complete the Contractor Evaluation Program as outlined above. If the work to be performed by the subcontractor is identified as a high risk service, Company may require further documentation to be submitted by Contractor on behalf of subcontractor. Contractors must provide direct supervision of their subcontractors.

SECTION 3: General Safety Briefing

Contractors will be required to comply with all Company rules and policies applicable to the scope of work being contracted. Sufficient copies of the operating rules and policies necessary for the performance of duties will be available through the Company Representative. Contractors will be responsible for ensuring all contract workers under their supervision are trained on the applicable Company rules and procedures necessary to perform all work safely, and with 100% rule and policy compliance. The initial briefing for any contractor will include at a minimum the information within this General Safety Briefing section. Where local requirements or rules differ, the most restrictive will apply.

The following General Safety Briefing is required to be given to all contractors and non-railroad workmen prior to commencing work:

- ALWAYS expect the movement of trains, engines, cars, and equipment—at any time, on any track, from any direction. Stay in the clear, do not go between equipment unless duties require AND proper protection is provided.
- Persons are prohibited by Federal Law, to operate switches, protect shoves, or any other covered activity until completion and documentation of formal training in accordance with 49 CFR part 218. Contractors must provide documentation to show training has been completed, for persons who will perform any service covered under part 218.
- PPE Requirements: boots (lace up work boot, near 90 degree heel, leather/leather like material, good condition, minimum 6 inch upper), safety glasses, gloves, hearing protection (where required by rule), anti-slip footwear accessories as required by winter conditions, highly visible workwear/vest (lime green for Mechanical/Transportation/Other, Orange for MoW), hardhat where required by rule. See Rule T-15 (Transportation), M-28 (Mechanical), E-24 (MoW).
- Distance around equipment: not closer than 20 feet around standing equipment unless duties require, and proper protection is provided. Do not go in between uncoupled equipment with less than 50 feet separating the equipment under ANY circumstance.
- Locomotive electrical hazards: Do not open cabinet doors marked with Danger stickers unless required, and properly trained and qualified. Do not operate any switch, control, etc. on locomotives unless required and certified/qualified.

- Trainline air hoses may be under 90 lbs. of pressure or more. Locomotive MU hoses are under up to 140 lbs. of pressure. Do not manually separate air hoses unless properly trained, duties require, and protection is provided.
- Slip, Trip, and Fall Hazards: Watch for poor footing conditions. Step over, not on obstructions or debris.
- Always have, and use a light when working/observing in the dark.
- Job briefings: Always be sure you know where you are supposed to be, and be there. Follow the job briefing given by Company Representative. If unsure of anything, ASK!
- Report all injuries, accidents and incidents, regardless of damage or severity, as soon as possible, but no later than the end of your tour of duty, to your supervisor and/or Company Representative.
- Close Clearances: Do NOT put yourself between a structure and standing or moving equipment.
- Seatbelts must be worn at all times in moving vehicles unless otherwise permitted by rule (Such as a Hi-Rail vehicle operating on the rail or in facilities that prohibit use of seatbelts).
- Do NOT mount moving equipment. Do not dismount moving equipment except in cases of emergency.
- Personal Cell Phone/Electrical Device: Must be OFF when carried. (See GCOR Rule 1.10 as changed by Watco System Special Instructions)
- Location specific hazards: Company Representative brief local specific hazards as necessary.

SECTION 4: Specific Contractor Requirements

Contractors performing work which requires specific training, federal approval or certification under any local, state or federal regulation must ensure all workers have documentation of training/approval or proof of certification on site prior to performing such work and provide copies of certification and training documentation to the Company Representative. Contractors that are required to have a formal FRA approved training program must provide a copy of that approval.

4.1.1 Maintenance of Way/Engineering/Signal/Bridge Contractors

Maintenance of Way/Engineering/Signal and Bridge contractors working independently without direct Company supervision must have copies of and be familiar with those rules that govern their operations. Generally this means current copies of the General Code of Operating Rules, Maintenance of Way Rules, Maintenance of Way Safety Rules, Roadway Worker Protection Rules, System Special Instructions, Company Track Standards, and location specific publications such as a current Timetable, as well as be aware of the location and content of, any General Orders, and General Notices. On Track Equipment movements must also have General Track Bulletins and Main Track Authority as required by rule/special instructions prior to operating on track equipment. Contractors required to perform service which require Roadway Worker Protection training must certify RWP training has been completed for each person required to foul any track. Contractor supervisor must have a listing of all persons so qualified on site, to provide to the Company Representative, or regulatory inspectors. Contractors which will perform service as an Employee In Charge (EIC) must be qualified as an EIC, be trained on the specific applicable Railroad Operating Rules as required under the applicable Federal requirements, and become familiar with the territory on which they will provide On Track Safety protection for their workers. Company Representatives must verify qualifications, and provide local site specific job briefing training on the physical characteristics, timetables, method of operations, and other required items necessary to perform the duties of an EIC. Other specific requirements may be required, and will be communicated to the Contractor by the Company Representative.

4.1.2 Contractor Safety Orientation

Prior to entering the premises, each person providing labor, material, supervision, or services connected with the Maintenance of Way work to be performed on or about the premises must complete the Company Contractor Safety Orientation Course at the following internet website: contractororientation.com. Contractor must ensure that each and of its employees, subcontractors, agents or invitees complete the course before any work is performed. Additionally, Contractor must ensure that each and every employee of Contractor, its subcontractors, agents and invitees possesses a card certifying completion of the course prior to entering the premises. Contractor and its employees must renew the Company Contractor Safety Orientation annually.

4.2 Mechanical Contractors

Mechanical Contractors working independently without direct Company supervision must have copies of and be familiar with those rules that govern their operations. Generally this means current copies of the General Code of Operating Rules, Mechanical Safety Rules, Timetable, System Special Instructions, and any specific Mechanical/AAR publications required as indicated by the Company Representative. Any on track equipment movements must also have current copies of General Track Bulletins, and be aware of any General Orders and General Notices and Main Track Authority affecting the movements. Contractors required to perform any service covered under Federal Regulations (Such as, but not limited to handling switches, derails, identifying clearance points, protecting shoving movements etc) must provide training documentation certifying each person performing such service has been trained and qualified on those operating rules. Contractors which will be required to operate locomotives as part of the maintenance or testing work being performed must not operate any locomotive outside a designated locomotive servicing area which would require certification under 49 CFR part 240 as a Locomotive Servicing Engineer or Train Service Engineer.

4.3 Train and Engine Service Contractors

Train and Engine Service Contractors must be properly certified to perform service as a Locomotive Engineer, or Conductor, in accordance with an approved certification plan as required by 49 CFR part 240 and/or 49 CFR part 242. Prior to performing any service requiring certification under these parts, the Railroad must have been provided documentation showing a negative pre-hire drug screen, and obtain the required background checks necessary for certification as outlined in the Railroads Certification Program. Upon receipt of all the necessary background checks, verification of certification, and training, and any required additional training, familiarization, and checkrides as applicable, Company will issue the applicable license or certification necessary to allow the contractor to perform service as a Train and Engine Service employee. Persons performing train and engine service duties will also be required to be entered into the Railroads random Drug and Alcohol pool, and will be subject to the Federally required random drug and alcohol testing.

SECTION 5: Accident/Incident Reporting and Investigation

The Contractor must immediately report all accidents/incidents and near misses to the Company Representative. If required, the Contractor must notify the applicable regulatory agency within the required reporting requirements.

The Contractor must investigate all accidents/incidents that result in, or have the potential to result in, injury or illness, property damage, process/product loss or harm to the environment. The investigative process must include the identification of root causes or causal factors that contributed to the occurrence. The Contractor must determine the necessary corrective actions and ensure closure/completion in timely manner. In addition to the Contractor's analysis/investigation, the Company retains the right to conduct their own investigation for any illnesses, injuries, fatalities, incidents or near misses occurring on its premises.

The Contractor must submit a copy of the written report and investigation to the Company Representative, unless otherwise specified, within 48 hours of occurrence.

Contractor must maintain injury logs for their respective workers. (Example: US OSHA 900 Logs, FRA 225 logs). Contractor Companies shall be prepared for potential emergencies, shall report all emergency conditions to WTS and shall follow WTS emergency evacuation procedures. If an emergency evacuation is required, the Company Representative shall locate and ensure that all Contractor Company employees have safely evacuated the facility to the designated assembly area. The Company Representative shall inform the WTS Emergency Coordinator that their Contractor Company employees have safely evacuated the site. Contractor Company employees shall remain at the designated assembly area until otherwise instructed by the Company Representative.

Contractor Companies shall immediately notify WTS of all spills. WTS and the Contractor Company shall then determine the appropriate method to clean-up the release.

SECTION 6: Alcohol, Illegal Drugs & Firearms

6.1 General Information

6.1.1. Contractor must develop and enforce a policy that prohibits the possession, distribution, promotion, manufacture, sale, use, and abuse of illegal drugs, drug paraphernalia, controlled substances, alcoholic beverages and weapons by workers while on Company premises. Contractors and guests, regardless of whether or not licensed to do so, may not carry or transport any firearm or weapon, whether or not concealed, at the workplace, on any Companies' owned or leased premises, Companies'-owned vehicle, or in any other vehicle while engaged in Companies' business.

6.2 Key Requirements

6.2.1. Based on the Company business unit or regulatory requirements the Contractor must establish and maintain acceptable Anti-Drug and Alcohol Misuse Program and provide a copy of this program to Company as outlined in Appendix B.

6.2.2. Following an incident, Company may require Contractor to test workers at its discretion or as required under federal law. Contractor workers must be tested within the time period outlined under FRA guidelines.

6.2.3. If testing is conducted based upon suspicion, the Contractor's employee under suspicion, must be removed from service pending test results.

6.2.4. Contractor is subject to searches which includes personal effects and automobile if it is located on the job site. Such searches may be conducted when there is a reasonable basis to suspect that the work performance or on-the-job behavior may have been affected by alcohol/drug use or that the Contractor has sold, purchased, used, or possessed illegal drugs or alcohol on the job site.

SECTION 7: Non-Compliance

Non-compliance with this Contractor Safety Policy and its safety requirements is treated the same as non-compliance with any contract provision, and may result in work stoppage or Contractor removal from the premises. Willful or repeated non-compliance may result in Contractor dismissal and contract termination.

Acknowledgment of Contractor Safety Policy Receipt

Your signature certifies that you have read and understand the Company's Contractor Safety Policy and that you ensure compliance of the terms and conditions set forth in the policy on behalf of your company and employees.

Name: _____

Title: _____

Company: _____

Phone: _____

Email: _____

Date Completed: _____



WATCO
COMPANIES

Watco Mechanical Services, L.L.C.

Watco Terminal and Port Services, L.L.C.

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**Watco Mechanical Services, L.L.C.
Watco Terminal & Port Services, L.L.C.**

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SECTION 1: INTRODUCTION / REGULATORY REQUIREMENTS / DEFINITIONS

1.1 INTRODUCTION

Watco Mechanical Services, L.L.C. and Watco Terminal & Port Services, L.L.C. (Company) strive to maintain a safe and healthy workplace for all Team Members and Contractors. This document provides all Contractors with the minimum Environmental, Health and Safety (EHS) standards required while working on and/or adjacent to Company premises. This policy applies to all Company locations and to all Contractors and their employees and subcontractors working for Company.

1.2 US / CANADA REGULATORY REQUIREMENTS CONTRACTORS RESPONSIBILITIES

Contractor is responsible for complying with applicable US and Canadian Federal, State and/or Provincial and local EHS regulations. Contractor must also comply with the requirements listed in the Contractor Safety Policy and Company site-specific and/or business unit policies and procedures that are applicable to the project Scope of Work (SOW).

The standards presented in this document are not an exhaustive list of all applicable requirements and regulations. As a general rule, if there is uncertainty over which legislation applies (i.e., Federal, Provincial) comply with the most stringent requirement.

For US Contractors, Occupational Health and Safety Administration (OSHA) General Industry Standards (1910), Construction Standards (1926) and/or the Mine Safety and Health Act (MSHA) may apply depending on the nature of the work.

For Canadian Contractors, federally regulated premises must comply with the Canada Labour Code. Provincially regulated sites must follow the Alberta Occupational Health and Safety Act, Regulations and Code, the British Columbia Occupational Health and Safety Act and Regulation, the Saskatchewan Occupational Health and Safety Regulations for work done in those provinces.

Regulatory references applicable to each section are located in Appendix 1 at the end of this document. The Contractor, however, is ultimately responsible for determining regulatory applicability and assuring compliance.

1.3 DEFINITIONS

ASSEMBLY AREA: A pre-determined location in which to assemble and conduct a roll call in case of an emergency evacuation.

CDL: Commercial Drivers License. Defined within the Federal Motor Carrier Safety Regulations

CMV: Commercial Motor Vehicle. Defined within the Federal Motor Carrier Safety Regulations

COMPANY: Watco Mechanical Services, L.L.C., and Watco Terminal & Port Services, L.L.C. or one of their subsidiaries, affiliates and/or business units.

COMPANY REPRESENTATIVE: Any person employed or contracted to represent the company in any official capacity.

COMPETENT PERSON: A competent person is one who has been trained and is authorized to identify and implement prompt correct actions to mitigate work site hazards.

CONTRACTOR: Any company or person contracted to perform short or long-term work for the Company. References to contractor includes; contractor's workers, sub-contractors and third party inspectors and consultants.

CRIBBING / SKIDDING: Is a process of stacking wooden skids (made of hardwood) to form a sturdy platform in which to secure pipeline joints.

CSA: Canadian Standards Association

DOT: U.S. Department of Transportation

NEAR MISS: An undesired event or a condition that, under slightly different circumstances, could have resulted in injury, damage or other loss.

NEB: The National Energy Board (NEB or Board) Regulates pipelines, energy development and trade in the Canadian public interest.

NFPA: National Fire Protection Association

PHMSA: Pipeline and Hazardous Materials Safety Administration Pipeline Regulations.

PREMISES: References to Premises includes; company property, job site, job and worksite. Any real property on which Contractor will be working, whether owned by Company or not, including: facilities, terminals, roads, parking lots, pipeline right-of-ways, common areas, compressor/pump station or offices.

REPORTABLE INCIDENT: Any act, incident, injury, occurrence, unwanted release of energy, unwanted release of product or near miss that is not considered a normal operating procedure and/or an occurrence that results in worker injury or monetary loss.

SOW: Scope of work: Includes the purpose of a Project and Project Definition to reduce and ultimately eliminate ambiguity. Scope planning will demonstrate clear, detailed communication among the project stakeholders that results in a clearly defined project with little misinterpretation. Specific project tasks, critical dates, and quality control measures are identified during scope development and project definition.

WORK: Any and all services, acts, obligations, duties and responsibilities necessary to the successful completion of the project assigned to or undertaken by Contractor under the Contract Documents, including the furnishing of all labor, services, materials, equipment and other incidentals.

SECTION 2: CONTRACTOR SAFETY PROGRAM ADMINISTRATION

Contractors are expected to understand and sign this policy and to comply with Company requirements. The Company retains the right to question Contractors regarding the content of this policy and to stop work if Contractors are observed operating in disregard to EHS requirements.

2.1 CONTRACTOR EVALUATION PROGRAM

All Contractors are required to participate in the Company's Contractor Evaluation Program. Required documentation to be submitted by Contractor is outlined in Appendix B.

Each Contractor is required to supply safety statistics applicable to their country to Company. The Company requires the Contractor to have satisfactory statistical scores in each category prior to the contract award and to maintain those scores for the duration of the project. Contractor shall update Company in the event the scores fluctuate in any way during the project.

It is the Company's expectation that the Contractor's status with Watco Companies remain satisfactory throughout the duration of the project. If at any time the Contractor's status becomes unsatisfactory, the Contractor must work with the Company Representative to develop a plan for correcting deficiencies and timelines for completion.

2.2 SAFETY ORIENTATION

After the project is awarded and prior to the start of work, the Contractor and applicable Company representatives must participate in a Safety Orientation which includes:

- A review of the Company EHS requirements, site specific hazards, abnormal operating conditions, emergency response, restricted areas, security, potential hazards that may be encountered, evacuation procedures,

assembly areas, safety systems and contractor access and parking requirements at the worksite. The Contractor is encouraged to ask questions during the orientation process.

- The orientation must be documented on the Pre-Job Contractor Safety Orientation Form. The Contractor must ensure that everyone that works on Company premises receives this orientation. The orientation is required annually or when changes to project Scope of Work (SOW) and/or to the Contractor Safety Policy occur. A copy of the completed orientation form will be kept by a Company representative and filed in the Contractor file.
- The Contractor must maintain a daily list of all on-site workers on the Contractors/Visitors Log. All visitors to Company premises must sign in each time they enter/leave. Visitors must not be granted entry without prior permission of Contractor or Company Representatives.

2.3 CONTRACTOR DUTIES AND RESPONSIBILITIES REGARDING SUBCONTRACTORS

If the Contractor should choose to hire subcontractors, the Contractor will provide immediate notice to the Company. Subcontractors are also required to complete the Contractor Evaluation Program as outlined in Section 2.1. If the work to be performed by the subcontractor is identified as a high risk service, Company may require further documentation to be submitted by Contractor on behalf of subcontractor. Contractors must provide direct supervision of their subcontractors.

2.4 DISCIPLINARY ACTION

If any Contractor requires, requests or allows workers to work in or around unsafe conditions or violates environmental permits or regulations, the Company may remove the Contractor or any of its individual workers from Company premises. For example, immediate and permanent removal may occur if any of the following activities are observed:

- A. Openly exhibits disregard, defiance, or disrespect for the safety program
- B. Falsifying documents or information
- C. Participates in fighting, violence, threats of violence, theft, or destruction of property
- D. Violates established safety or environmental rules, regulations, procedures or codes
- E. Possesses weapons including but not limited to firearms or knives not typically used in conjunction with normal work tasks

2.5 SITE/PROJECT HEALTH AND SAFETY PLANS (HASP)

As determined by the Company, the Contractor may be required to develop a project specific Health and Safety Plan (HASP). If required, the HASP must establish the EHS expectations for the project, describe the key processes to be utilized during the project by the Contractor and assign areas of responsibility. Based on the detailed work plan, the Contractor must conduct an evaluation to identify hazards anticipated during the project and measures that will be implemented to eliminate or control the hazards.

The Contractor must include plans for changing conditions, revised SOW, or new information that will warrant modifications to the HASP. The original HASP and any modifications or changes must be submitted to the Company Representative for review prior to the start of work. Any revisions to the HASP will be returned to the Contractor for discussion or implementation.

SECTION 3: ACCIDENT / INCIDENT REPORTING AND INVESTIGATION

3.1 KEY REQUIREMENTS

3.1.1 The Contractor must immediately report all accidents/incidents and near misses to the Company Representative. If required, the Contractor must notify the applicable regulatory agency within the required reporting requirements.

3.1.2 The Contractor must investigate all accidents/incidents that result in, or have the potential to result in, injury or illness, property damage, process/product loss or harm to the environment. The investigative process must include the identification of root causes or causal factors that contributed to the occurrence. The Contractor must determine the necessary corrective actions and ensure closure/completion in timely manner. In addition to the Contractor's analysis/investigation, the Company retains the right to conduct their own investigation for any illnesses, injuries, fatalities, incidents or near misses occurring on its premises.

3.1.3 The Contractor must submit a copy of the written report and investigation to the Company Representative, unless otherwise specified, within 48 hours of occurrence.

3.1.4 Contractor must maintain injury logs for their respective workers. (Example: US OSHA Logs).

SECTION 4: ALCOHOL, ILLEGAL DRUGS AND FIREARMS

4.1 GENERAL INFORMATION

4.1.1. Contractor must develop and enforce a policy that prohibits the possession, distribution, promotion, manufacture, sale, use, and abuse of illegal drugs, drug paraphernalia, controlled substances, alcoholic beverages and weapons by workers while on Company premises. Contractors and guests, regardless of whether or not licensed to do so, may not carry or transport any firearm or weapon, whether or not concealed, at the workplace, on any Companies' owned or leased premises, Companies'-owned vehicle, or in any other vehicle while engaged in Companies' business.

4.2 KEY REQUIREMENTS

4.2.1. Based on the Company business unit or regulatory requirements the Contractor must establish and maintain acceptable Anti-Drug and Alcohol Misuse Programs.

4.2.2. Contractor programs must include post-incident testing criteria. Examples of these criteria include but are not limited to:

- All accidents/incidents that occur on Company premises
- An event that involves the release of product
- Death or personal injury requiring inpatient hospitalization
- Explosion or fire
- Release of >5 gallons (19 liters) of hazardous substance or carbon dioxide
- Accidents/Incidents involving vehicles and/or heavy equipment
- An event that results in a premises shutdown

4.2.3. Contractor workers must be tested within the following timelines:

- FOR ALCOHOL: Within 2 hours, but no later than 8 hours after the accident/incident
- FOR DRUGS: Within 32 hours of the accident/incident

4.2.4. If testing is conducted based upon suspicion, the Contractor's employee under suspicion, must be removed from service pending test results.

4.2.5. Contractor is subject to searches which includes personal effects and automobile if it is located on the job site. Such searches may be conducted when there is a reasonable basis to suspect that the work performance or on-the-job behavior may have been affected by alcohol/drug use or that the Contractor has sold, purchased, used, or possessed illegal drugs or alcohol on the job site.

SECTION 5: ASBESTOS

5.1 GENERAL INFORMATION

5.1.1 The potential of encountering Asbestos-Containing Material (ACM) while performing work in Company premises exists. The Company will identify those areas where ACM may be or is present, if known. All historical information pertaining to ACM for a premise is available for Contractor to review upon request.

5.2 KEY REQUIREMENTS

5.2.1 The Contractor must contact the Company Representative prior to removal of ACM. If required, the Contractor must provide immediate notice to the Company and make any notifications to the applicable regulatory agencies a minimum of 10 business days prior to the removal

5.2.2 Any Contractor who performs work where a potential for exposure to ACM exists must have a written ACM Compliance Program. The work plan must be available at the jobsite.

5.2.3 Work requiring ACM removal must be supervised by an individual that has received comprehensive abatement training. In the U.S., training must meet the EPA Model Accreditation Plan criteria. In Canada, training must meet the regulatory requirements of the Province in which work is taking place. Training records and certificates must be documented and maintained by the Contractor. All training records and certificates must be readily available for review by the Company upon request.

5.2.4 To restrict emissions to adjacent areas, an enclosure must be constructed around an area from which friable ACM is to be removed.

SECTION 6: CHAINS, SLINGS AND CABLES

6.1 GENERAL INFORMATION

6.1.1 Defective or damaged chains, slings, cables or components must be tagged and removed from service immediately. Hooks, rings, links or any coupling device must have a rating equivalent or greater than the chain, sling or cable to which it is affixed. Never use makeshift links or coupling devices.

6.2 KEY REQUIREMENTS

6.2.1 The Contractor must ensure all chains, slings and cables are applicable for the job and are maintained according to the manufacturers' requirements.

6.2.2 The Contractor must use proper tools and lifting equipment for the lift being completed. Any lifting equipment used must meet requirements for the lift being completed.

6.2.3 Daily inspections before use must be conducted and documented by the Contractor to look for wear, abrasions, collapse and any other visible damage. Contractor conducting the inspections must be trained to recognize defects.

6.2.4 All chains, slings and cables must have an identification tag attached that shows its load rating and limitations.

SECTION 7: CONFINED SPACE / CONFINED SPACE ENTRY

7.1 GENERAL INFORMATION

7.1.1 A confined space is an enclosed area that has a limited means of egress and may be subject to the accumulation of toxic or flammable substances or could have an oxygen-deficient atmosphere. Confined Space means:

- A space that is large enough and so configured that a worker can bodily enter and perform assigned work
- Has limited or restricted means for entry or exit
- Is not designed for continuous worker occupancy

7.1.2 In the U.S. Permit Required Confined Space (permit space) means a confined space which has one or more of the following characteristics:

- Contains or has the potential to contain a hazardous atmosphere
- Contains a material that has the potential for engulfing an entrant
- Has an internal configuration such that an entrant could be trapped or asphyxiated by inwardly converging walls or by a floor which slopes downward and tapers to a smaller cross-section or
- Contains any other recognized serious safety or health hazard

7.2 KEY REQUIREMENTS

7.2.1. If applicable for the SOW being performed, the Contractor is required to have a written Confined Space Entry Program that at a minimum, defines the roles and responsibilities for entry supervisor, attendant, entrant, fire watch, communications and emergency response. This program must be made available to the Company upon request

7.2.2. The Company may choose to treat all confined space areas as "Permit Required Confined Spaces," depending upon the type of work to be performed within the space.

7.2.3. Any Contractor entering a Confined Space or Permit Required Confined Space must have the following:

- Training in Confined Space or Permit Required Confined Space Entry;
- If required, a completed and posted written confined space permit at the entry location;
- Ensure that all potential sources of toxic fumes and flammable vapors have been identified and isolated;
- A trained attendant dedicated exclusively to those duties detailed in the Permit Required Confined Space procedure and is capable of initiating an emergency rescue.

7.2.4 Training must be completed by the Contractor and records and certificates must be documented and maintained by the Contractor and made available upon Company request.

SECTION 8: CRANES AND RIGGING

8.1 GENERAL INFORMATION

8.1.1 Proper set up and operation of cranes and rigging is required.

8.1.2. This section applies to crawler cranes, locomotive cranes, wheel mounted cranes of both truck and self propelled wheel type and any variations that have the same fundamental characteristics.

8.1.3 Contractor must prepare a Lift Plan for all anticipated lifts requiring the use of specialized equipment for the duration of the project. The Lift Plan must meet all regulatory requirements. When the Contractor is working with large diameter pipe or near overhead power lines, these activities must be outlined in the Lift Plan. Specialized equipment may include but is not limited to: Lulls, Cranes, Boom Trucks, and Fork Lifts. Equipment and/or rigging gear must follow the Original Equipment Manufacturers (OEM) recommended lift specifications and capacities.

8.2 KEY REQUIREMENTS

8.2.1 A competent person must conduct and document a daily inspection of cranes. If a crane is moved or the lifting process changes during operations it must be re-inspected prior to performing the lift in order to reflect the changes. If the crane or its associated rigging exhibits any damage or excessive wear during daily inspection, the crane cannot be used.

8.2.2 Crane inspection records must be kept on site with the crane or in the Contractor's temporary office and readily available for inspection.

8.2.3 Rigging devices must have permanently affixed identification stating size, grade, rated capacity, and manufacturer.

8.2.4 For Pipeline Construction Projects in the U.S - Safety Latches should be used when they make the task safer. The determination of whether or not a hook should be used with or without a latch is dependent on the circumstances and whether the addition of the latch will result in a safer operation or instead of creating an additional hazard.

8.2.5 The determination must be based upon the applicable requirements and the manufacturer's recommendations for the type of hook. The Contractor may consider without limitation, the following:

- All applicable regulatory standards and interpretation letters.
- Pre-arranged means of communication and placing the load;
- Pre-planned routes for suspended loads designed to minimize workers from being below or near a moving or suspended load;
- Any required training for workers hooking and unhooking loads;

SECTION 9: ELECTRICAL SAFETY AND OVERHEAD POWER LINES

9.1 GENERAL ELECTRICAL SAFETY INFORMATION

9.1.1. This section applies to the use of electrical power to operate equipment and electrical power tools and all work near electrical systems including, but not limited to overhead or underground power lines.

9.2 KEY REQUIREMENTS

9.2.1 Power cable systems within the work area must be de-energized during excavation whenever there is doubt about cable location.

9.2.2 The Contractor must protect workers from electric shock while using power tools, appliances and related equipment by use of Ground Fault Interrupter (GFI) systems on all power outlets/sources that will be used during construction and maintenance.

9.2.3 Only qualified and authorized Contractors are permitted work on electrical equipment.

9.2.4 All electrical equipment must be properly grounded and/or bonded.

9.2.5 All electrical equipment must be treated as if it were energized.

9.2.6 The Contractor must place guards and/or barriers to prevent incidental contact with exposed electrical equipment. Cover plates must be correctly placed on equipment during times that they are not monitored.

9.2.7. Contractor must be provide and use applicable Personal Protective Equipment (PPE) such as rubber insulating gloves, blankets, hoods, sleeves and line hoses as applicable to regulatory requirements.

9.3 OVERHEAD POWER LINES

9.3.1. The Contractor must advise their workers of the location of any power lines, the hazards involved and the protective measures to be taken to ensure lines are not hit.

9.3.2 Mandatory controls to prevent utility strikes must include three of the following five layers of safety controls:

- Signage – “Beware of Overhead Lines” signs must be placed at equipment operator’s eye level and must be a minimum of 2 feet by 2 feet (60cm by 60 cm).
- Physical barriers – A non-conductive barrier, i.e. goal posts with rope and ribbons/flagging, must be set outside the limits of the approach on both upstream and downstream sides at a minimum of 10 feet
- Dedicated spotter – A dedicated Contractor to monitor and direct traffic around and under lines and must use an appropriate audible alarm such as an air horn to warn operators of the hazard
- Proximity alarms – Alarms that are attached to the equipment that are set off when equipment approaches too close to an energized source
- Utility controls – site specific controls; i.e. line insulators, line raising or outage(s)

9.3.3 The Contractor must contact the local utility company and be aware of any special requirements. The Contractor must also maintain the clearance to the power line following minimum clearance requirements.

SECTION 10: EMERGENCY EVACUATION

10.1 GENERAL INFORMATION

10.1.1. The Contractor will follow the Company’s Emergency Evacuation Plan while on Company premises, including the location of assembly areas and routes of evacuation. In the event that the Contractor is performing work in an area outside the Company premises, the Contractor will be required to submit an Emergency Evacuation Plan for approval. In the event of a fire or hazardous materials release, the Contractor and their

personnel are to follow the direction of Company personnel unless otherwise directed by emergency personnel (e.g., fire department, police or other regulatory personnel).

10.2 KEY REQUIREMENTS

10.2.1. If any Contractor suspects that an emergency condition exists, they must immediately contact the local authorities, as applicable (e.g., 911 or the particular emergency phone number in the area) and then the Company Representative.

10.2.2. Contractor must shut-off all equipment IF DOING SO DOES NOT POSE RISK OF INJURY.

10.2.3. Contractor must evacuate to the pre-determined assembly area by the safest available route.

10.2.4. The Contractor must account for all workers.

10.2.5. The Contractor must remain in the assembly areas until otherwise directed.

SECTION 11: EXCAVATIONS / TRENCHING AND SHORING

11.1 GENERAL INFORMATION

11.1.1. In work areas where the exact location of underground utilities are known or unknown, the appropriate Dig Safe or One Call system must be notified so the owner / operators can locate and clearly identify their utilities prior to beginning excavation work. This notification must follow any local or state ordinances in regard to notifications.

11.2 KEY REQUIREMENTS

11.2.1. The Contractor must provide adequate protective systems such as benching, sloping or shoring when the sides of a trench are more than 5' / 1.2m deep.

11.2.2. Excavations over 20' / 3m deep or that do not meet regulatory requirements must have protective systems designed by a Professional Engineer (PE/PEng) within the same state/province. The PE/PEng design documentation must be on site and available for inspection.

11.2.3. The Contractor's Competent Person must conduct daily excavation inspections prior to anyone entering an excavation and this documentation must be present at each excavation. Use the Excavation Inspection Report form or equivalent to document these inspections. If the inspection shows the area to be unsafe, the unsafe condition must be mitigated prior to resuming work.

11.2.4. A secured ladder, ramp or other means of egress must be provided within 25' (8m) of all workers in a trench that exceeds 4' / 1.2m in depth and/or when using a trench box.

11.2.5. The Job Safety Analysis will determine what atmospheric monitoring (e.g., O₂, LEL, H₂S, CO), will be conducted prior to a worker entering an excavation that exceeds 4' / 1.2m in depth and has the potential to contain a hazardous atmosphere.

11.2.6. Excavated material must be placed at least 2' / 1m away from the edge of the excavation. (i.e. spoil pile, rocks, broken concrete or other debris).

11.2.7. Excavations must be secured to keep vehicles and unauthorized personnel out. High visibility fencing material placed 4' / 1.2m from the edge of the excavation when possible must be used to warn of the danger in high profile/vehicular traffic areas. Traffic impact plans may be required in high vehicular traffic areas.

SECTION 12: FALL PROTECTION

12.1 GENERAL INFORMATION

12.1.1 Contractors are required to review the job hazards associated with Fall Protection and develop a specific plan to address the hazards including a rescue plan.

12.2 KEY REQUIREMENTS

12.2.1 Fall Protection must meet OSHA and other federal regulations.

12.2.2 Full body harnesses, shock absorbing lanyards and a proper attachment point are the minimum requirements for a personal fall arrest system. All fall protection devices must be properly stored, maintained and inspected for defects before each use. Harnesses, lifelines, retractable lifelines and lanyards must be marked with a tag stating maximum load and name of the manufacturer. Lanyards and vertical lifelines must have a minimum breaking strength of 5,000 lbs/ 2270 kg. All anchor points for fall arrest or restraint must meet minimum regulatory requirements and engineering design criteria for the weight. The Contractor is responsible for supplying all fall protection equipment required for their workers.

12.2.3 The Contractor must provide a Competent Person to oversee fall protection compliance.

SECTION 13: FIRE PREVENTION AND PROTECTION

13.1 GENERAL INFORMATION

13.1.1 A Fire Watch is an individual who has been designated for monitoring the hot work site where open flames are present, where work on in-service equipment is being performed or where sparks have the potential for landing on adjacent in-service equipment. This individual must be capable of evaluating unsafe conditions and taking necessary actions to mitigate and communicate the conditions. The Fire Watch can have no other assigned duties while conducting this task.

13.2 KEY REQUIREMENTS

13.2.1 Firefighting equipment and a Fire Watch must be supplied by the Contractor and must be present while performing any hot work. Access to firefighting equipment must be maintained at all times and must be inspected as required, to ensure proper working condition.

13.2.2 Smoking is allowed in designated areas only. Designated smoking areas will be identified during the project pre-job construction meeting or work permitting process.

13.2.3 Matches or uncovered and trigger-type lighters are not allowed on the Company premises.

13.2.4 All non-intrinsically safe devices are only permitted in Company approved areas. Devices include, but are not limited to: cell phones, pagers and cameras.

13.2.5 Unless otherwise specified by the Authority Having Jurisdiction, (AHJ), all flammable and combustible liquids must be properly stored according to rules and regulations and away from any ignition source or other flammable materials.

13.2.6 Unless otherwise specified by the AHJ, the volume of Class I, Class II, and Class IIIA liquids stored within a single approved storage cabinet must not exceed 120 gallons / (454 L).

13.2.7 Unless otherwise specified by the AHJ, approved storage cabinets must be UL Listed or FM Approved for indoor storage of flammable or combustible liquids.

SECTION 14: FIRST AID & BLOODBORNE PATHOGENS

14.1 GENERAL INFORMATION

14.1.1. First aid is used for temporary treatment of on-the-job injuries and minimizes occupational exposure to hepatitis B virus (HBV), human immunodeficiency virus (HIV) and other bloodborne pathogens.

14.2 KEY REQUIREMENTS

14.2.1 The following are the minimum first aid requirements for Contractors working at Company premises:

- The Contractor must have personnel trained and immediately available to provide first aid treatment at the premises. Contractor must be able to provide a current first aid certificate.
- The Contractor must have applicable first aid supplies at the premises.
- The Contractor must follow OSHA requirements for first aid and follow the Company's Emergency Plan for the premises at all times. The Emergency Plan includes at a minimum:
 - Location of the premises
 - Name of Hospital or Emergency Care Center where Contractor is to be transported to.
 - Travel route
 - A statement saying: "In Case of Serious Injury Call 911" or a specific number
 - For remote premises, the plan will include applicable transportation which may include helicopter services.

14.2.2 The following are the minimum requirements for Contractor working at Company premises who might be exposed to bloodborne pathogens:

- The Contractor must be properly trained in basic bloodborne pathogen exposure, control and post incident sanitation procedures
- The Contractor must provide accessible bloodborne pathogen cleanup supplies

SECTION 15: FLOORS, ROOFS AND WALL OPENINGS

15.1 GENERAL INFORMATION

15.1.1 The Contractor must prevent falls from roofs, wall and floor openings by ensuring proper safeguards are in place. Platforms, handrails, temporary stairs, runways, etc. must be constructed per OSHA requirements.

15.1.2 Guarding and covers should be removed only after other means of protection are in place. Contractor installing or removing guarding and covers must be protected by alternative means throughout the process.

15.1.3 Installation of a standard railing is required for floor perimeter and wall opening protection.

SECTION 16: HAZARD COMMUNICATIONS (HAZCOM – US / WHMIS - CANADA)

16.1 GENERAL INFORMATION

16.1.1 Contractor must establish and maintain a written, comprehensive hazard communication program (HAZCOM/WHMIS). Hazard communication programs may differ between sites, areas, and business units at Company premises. Contact the Company Representative or the site safety representative for specific hazard communication concerns relevant to the location.

16.2 KEY REQUIREMENTS

16.2.1 Contractor must prepare a hazardous materials list before the materials arrive on site.

16.2.2 The use of hazardous materials on Company premises requires consultation with the Company.

16.2.3 Contractor must maintain the most current MSDS sheets provided by manufacturers and distributors of the material.

16.2.4 Contractor must properly label all hazardous materials entering the premises. All labels must be intact and legible.

16.2.5 Contractor must have a means of informing workers of the hazardous materials associated with the work they perform, and communicating information on hazards where work is being conducted.

16.2.6 Storage cabinets must be marked in conspicuous lettering: FLAMMABLE — KEEP FIRE AWAY

16.2.7 Unless otherwise specified by AHJ, regulations require that flammable and combustible liquids be stored as follows:

- In a quantity insufficient to produce an explosive atmosphere if inadvertently released
- More than 100' / 30m away from an underground shaft
- Away from the air intake of ventilation system, an internal combustion engine, or the fire box of a fired heater or furnace
- Only in containers approved to NFPA standards, CSA Standard B376-M1980 (R1998), "Portable Containers for Gasoline and other Petroleum Fuels" or ULC Standard C30-1995, "Containers, Safety"

SECTION 17: HAZARDOUS ATMOSPHERES

17.1 GENERAL INFORMATION

17.1.1 A hazardous atmosphere is an atmospheric condition that may expose workers to a risk of death, incapacitation, and impairment of ability to escape unaided, injury or acute illness. Testing of hazardous areas is required prior to entry into an area of concern. Contractor is not to enter ANY area containing hazardous concentrations of toxic gases unless they are properly trained, protected and utilize calibrated air monitoring equipment.

17.2 KEY REQUIREMENTS

17.2.1 All personnel working in a potential H2S environment must have certificates to verify they have been properly trained. Additionally, all personnel working in an H2S environment must be clean-shaven in a manner consistent with accepted practices governing SCBA (Self-Contained Breathing Apparatus) use.

NOTE: A SCBA is required for H2S levels exceeding the permissible exposure limit: THE PERMISSIBLE EXPOSURE LIMITS (PEL) VARY IN US AND CANADA. CHECK REGULATIONS FOR PEL LIMITS.

17.2.2 In areas where potential concentrations of Benzene may be present, applicable monitoring with appropriate air monitoring equipment must be conducted. Immediately exit the area if monitoring results are above the permissible exposure limit. Personnel must wear appropriate respiratory protection if concentration exceeds permissible exposure limit. THE PEL VARY IN US AND CANADA. CHECK REGULATIONS FOR PEL LIMITS.

17.2.3 Oxygen levels must be between 19.5% and 23.5% (US) and 19.5% and 23% (Canada).

SECTION 18: HOUSEKEEPING

18.1 GENERAL INFORMATION

18.1.1. Good housekeeping is mandatory. Work areas must be kept neat, clean, and orderly. If a Contractor's work area is not kept clean, the Company may have the area cleaned and charge the cost to the Contractor. The Company may also stop work until the area has been cleaned.

18.2 KEY REQUIREMENTS

18.2.1. Keep work areas, passageways, fire exits, fire lanes, and stairs in and around the buildings and structures clear of debris at all times.

18.2.2. Properly store all tools and equipment after use. Keep walkways free of dangerous depressions, obstructions, and debris.

18.2.3. Clean the work area daily and dispose of debris in dumpsters, or off site in accordance with the environmental requirements.

18.2.4 Contractor must remove all unused material and equipment upon the completion of the project.

SECTION 19: JOB SAFETY ANALYSIS

19.1 GENERAL INFORMATION

19.1.1 Contractor must conduct a daily Job Safety Analysis and/or Safe Work Permit to identify PPE requirements, special equipment or operators and to develop controls for any potential hazards. This analysis must be based on the daily job scope and work area.

19.2 KEY REQUIREMENTS

19.2.1 The Job Safety Analysis and/or Safe Work Permit must be documented and utilized on a daily basis and communicated at each daily tailgate meeting.

19.2.2 If the scope of work changes during the day the Contractor must update the Job Safety Analysis and/or Safe Work Permit and communicate these changes by conducting a tailgate meeting. If requested, Site Operations must be notified of all changes and updates.

19.2.3 Job Safety Analysis and/or Safe Work Permits must be available for review and retained in the job file.

SECTION 20: LADDERS

20.1 GENERAL INFORMATION

20.1.1 Ladders used on Company premises must meet appropriate guidelines. In the US, manufactured ladders must comply with ANSI specifications. In Canada, ladders must comply with CSA Standard Can 3-Z11-M81 (R2001) portable ladders, and ANSI Standard A14.5-2000 portable reinforced plastic ladders.

20.2 KEY REQUIREMENTS

20.2.1 Metal ladders are prohibited for electrical work.

20.2.2 Stepladders must be fully opened when in use. Safety latches on extension ladders must be fully engaged.

20.2.3 Always face the ladder when climbing or descending. When working, face the ladder with both feet securely on the rungs. Never stand, step or sit on the top of the ladder, straddle the ladder, work on leaned stepladders, or work with two people on the same ladder.

20.2.4 The Contractor must ensure ladders are:

- Inspected before each use. Do not use ladders with broken or missing rungs, broken or split siderails, or damaged components. Defective ladders must be tagged out of service and removed from job site.
- Extend 3' / 1m above the upper landing surface.
- Secured to prevent slippage and workers must use the three point contact rule while working or climbing on a ladder
- The Contractor must use barricades or guards for areas impacted by ladder use. Areas include, but are not limited to passageways and doorways.
- Ladders must meet minimum load ratings.

SECTION 21: LEAD IN CONSTRUCTION

21.1 GENERAL INFORMATION

21.1.1 Company will identify those areas where lead may be present and communicate this information to the Contractor. If Contractor unexpectedly encounters lead, the Contractor must stop work and consult with the Company Representative on how to proceed.

21.2 KEY REQUIREMENTS

21.2.1. All Contractors who perform work where there is exposure to regulated levels of lead must have a written lead abatement program.

21.2.2. All Contractor lead abatement workers must be adequately trained to understand the hazards associated with lead exposure. This includes the nature of operations that could expose them to lead, the purpose of medical surveillance, use of engineering work practices and appropriate PPE to minimize exposure.

21.2.3. Training records and certificates must be documented and maintained by the Contractor and made available to the Company upon request.

SECTION 22: LOCKOUT / TAGOUT (CONTROL OF HAZARDOUS ENERGY)

22.1 GENERAL INFORMATION

22.1.1 Guidelines and safeguards must be in place to protect Company and Contractor from unexpected startup or energy release.

22.1.2 Contractor must Lockout and/or Tagout any energy isolating device when performing maintenance or service/repair of equipment. If an energy isolating device is not capable of being locked out and a tag provides equal protection, tagout is acceptable. If equipment has multiple energy sources, all energy sources must be properly locked and tagged out.

22.1.3 Contractor must supply all required materials, equipment and training for their workers to comply with this requirement. The Contractor must discuss the proposed lock and tag locations with the Company Representative before they are allowed to proceed with their planned work.

22.2 KEY REQUIREMENTS

22.2.1 All Lockout/Tagout must be coordinated with Company before working in an area of hazardous or stored energy.

22.2.2 The Contractor must follow applicable JHA and/or Work Permit requirements before performing work.

22.2.3 The Contractor must follow the Company's Lockout/Tagout procedures and adhere to all warnings including:

- Unauthorized removal of lockout/tagout devices is prohibited;
- Unauthorized operation or servicing of equipment is prohibited.

22.2.4 Only authorized workers may perform Lockout/ Tagout.

SECTION 23: NOISE / HEARING CONSERVATION

23.1 GENERAL INFORMATION

23.1.1 Hearing protection must be worn in all areas where ear protection requirements are posted by the Company and/or the Contractor. Hearing protection is required at all times when operating or using any equipment that emits noise at a level greater than 85 decibels.

SECTION 24: PERSONAL PROTECTIVE EQUIPMENT (PPE)

24.1 GENERAL INFORMATION

24.1.1 Contractor is required to maintain a written PPE program and provide training in the proper use, maintenance and inspection of PPE PRIOR to beginning work. The daily JHA and/or Safe Work Permit must identify and specify any special or additional PPE requirements based on the scope of work to be conducted.

24.2 KEY REQUIREMENTS

24.2.1 The Contractor must supply all required PPE to their workers.

24.2.2 Unless otherwise specified in a Job Safety Analysis, the minimum PPE includes: hard hats, safety glasses (with side shields), safety toed shoes (steel toed), work gloves and high visibility clothing.

- Eye and Face Protection must comply with ANSI Z87.1 (US); CAN/CSA-Z94.3-92, or Z94.3-99, or Z94.3-02 (Canada)
- Head Protection must comply with ANSI Z89.1 (US); CAN/CSA-Z94.1-92 (Canada)
- Foot Protection must comply with: US – ASTM F2413-05; CAN/CSA-Z195-M92 (R2000) or CSA Z195-02 (Canada)

24.2.3 PPE must be upgraded when changes in conditions are noted during monitoring of the site. PPE requirements for handling hazardous substances are available in the specific MSDS sheets.

SECTION 25 PROTECTING THE PUBLIC

25.1 GENERAL INFORMATION

25.1.1 Contractor must protect the public with appropriate and visible protective systems when the public could be exposed to hazards.

25.2 KEY REQUIREMENTS

25.2.1 Exterior Protection Procedures

- Keep sidewalks, entrances, lobbies, corridors, aisles, doors, and exits clear of obstructions to permit safe entrance and exit at all times. Post appropriate warning and instructional safety signs. Barricades must be provided where sidewalks, sheds, bridge fences, or guardrails are not required between work areas and pedestrian walkways, roadways and occupied buildings. Barricades must be secure, except where temporary removal is necessary to perform work.

25.2.2 Interior Protection Procedures

- Before starting work in occupied buildings, contractors must coordinate with a Company Representative and develop a work plan. The SOW must include risks such as: electricity or gas outages, excessive noise generation, chemical fumes, asbestos, and fire exit blockages. The work plan must address provisions for proper communication and related control measures. Control measures may include providing PPE, scheduling work during non-business hours, or area evacuation. Contractor must notify the Company of revisions to this plan.

SECTION 26: RADIATION PRODUCING EQUIPMENT

26.1 GENERAL INFORMATION

26.1.1 Only properly trained, qualified personnel are allowed to use radiation-producing equipment or materials on Company premises. The Contractor must maintain records of all training and qualifications.

26.1.2 Radiation warning devices and signs containing the internationally recognized symbol for radiation must be placed around the perimeter of any area which may be affected by radiation.

26.2 KEY REQUIREMENTS

26.2.1 When radiographic equipment is used, the Contractor must ensure that the area is clear and that all personnel are at a safe distance from the radiation source.

26.2.2 All dark rooms must have a carbon monoxide monitor/alarm installed.

26.2.3 Contractor working with equipment that contain radioactive sources must:

- Not transport, commission or decommission gravitometers without written permission from the Company and properly secure equipment when work is not occurring
- Coordinate work activities with the Company representative. If the Contractor must work in proximity to a gravitometer, work time around the radioactive source must be minimized by task planning;
- If the Contractor damages a gravitometer or observes one that may be damaged, they must contact the Company representative immediately.

SECTION 27: REGULATORY AGENCY INSPECTIONS

27.1 GENERAL INFORMATION

27.1.1 Company policy is to cooperate with authorized regulatory agency inspections. The Contractor is required to ensure that regulatory inspections are treated with high priority and with the utmost professionalism.

27.2 KEY REQUIREMENTS

27.2.1 For any agency audit or inspection, the Contractor represents itself and not the Company during the inspection. Upon notification of a regulatory agency audit or inspection, the Contractor must provide notice to the Company so the Company Representative can attend the inspection.

27.2.2 The Contractor should ask the regulatory inspector for applicable credentials and have them sign the Visitor's Log.

27.2.3 The Contractor should ensure the regulatory inspector follows all safety requirements, procedures and PPE requirements.

27.2.4 The Contractor should verify any equipment readings by performing parallel sampling and/or monitoring. The Contractor must take a similar photo of all photos taken by the inspector.

27.2.5 When the inspection and exit interview are completed:

- The Contractor must coordinate with the Company Representative to discuss any findings, actions for compliance, responsible parties and estimated completion date for actions. The Contractor must take immediate action to correct all identified citations or violations and document actions taken.
- The Contractor must supply documentation of the corrective actions to the Company Representative.

SECTION 28: RESPIRATORY PROTECTION

28.1 GENERAL INFORMATION

28.1.1 The Contractor must develop a written respiratory protection program relating to respirator use during work activities.

28.1.2 Any Contractor potentially exposed to hazardous atmospheres or substances in excess of permissible exposure limits is required to have applicable respiratory protection.

28.2 KEY REQUIREMENTS

28.2.1 Contractor's respiratory protection program must include, training records, medical clearance and fit test records. Air purifying cartridges must be tagged. The records must be documented and maintained by the Contractor. Contractors that are subject to a respiratory protection program must be clean shaven at all times. Moustaches are permitted, provided that a proper seal can be maintained.

28.2.2 Contractor must designate an individual to perform air monitoring at the premises to ensure Contractor is not over exposed. This designated individual will inform Contractor when respiratory protection is required and must continue to monitor to determine if premises conditions change.

28.2.3 Supplied Breathing Air Use

- Contractor must ensure supplied breathing air sources meet the applicable requirements. In the US, Grade D breathing air is required and described in ANSI/Compressed Gas Association Commodity Specification for Air, G-7.1-1989. In Canada air must meet the requirements of CSA Z180.1 (Compressed Breathing Air and Systems). If compressors are used to supply breathing air, they must have suitable in-line air purifying devices to ensure air quality.
- For oil-lubricated compressors, Contractor must use a high-temperature or carbon monoxide alarm, or both, to monitor carbon monoxide levels. If only high-temperature alarms are used, the air supply must be monitored at intervals sufficient to prevent carbon monoxide in the breathing air from exceeding 5 PPM. Locate compressors in an area to prevent taking in contaminated air.
- For compressors that are not oil-lubricated, the Contractor must also ensure that carbon monoxide levels in the breathing air do not exceed 5 PPM.
- Air-purifying devices must be tagged with the most recent date of filter change-out.

SECTION 29: RIGHT-OF-WAY / ROADSIDE WORK

29.1 GENERAL INFORMATION

29.1.1 Work on or adjacent to existing public roadways must be performed in accordance with the requirements of applicable Traffic Control Programs. In the US this includes MUTCD (Manual of Uniform Traffic Control Devices) requirements.

29.1.2 Contractor must obtain applicable permits.

29.2 KEY REQUIREMENTS

29.2.1 Contractor must develop an approved written plan relating to vehicular traffic control during roadside work activities. The plan must include the proper placement of barricades, cones, signs, flashers and warning signs. The approved plan must be available at all times.

29.2.2 Contractors exposed to vehicular traffic must be provided with and instructed to wear, warning vests that meets regulatory requirements.

29.2.3 All Flaggers must be trained or certified based on the applicable Federal, State, Provincial, and Local County and/or City requirements.

29.2.4 When flaggers are working during sunrise/sunset or night time, lighted flashers and proper overhead illumination must be utilized to ensure flaggers/personnel and equipment can be seen by oncoming traffic.

SECTION 30: SAFETY PERMITS FOR SAFE WORK AND HOT WORK

30.1 GENERAL INFORMATION

30.1.1 Company premises have site specific procedures and permit requirements. Examples include, but are not limited to the following: permit to work, hazardous energy control, hot work permit, excavation permit, and confined space permit. These site specific requirements and the requirements in this manual must be met, with the most stringent requirements taking precedence. These requirements must be defined during pre-job meetings.

30.1.2 Where applicable, the Company may require Contractor to obtain a safe work permit on a daily basis from a Company Representative prior to the start of work. The permits must identify work to be completed, additional permits that may be required, potential hazards and safety measures to be followed.

30.1.3 Unless agreed to otherwise in the contract, Contractor is responsible for obtaining all applicable permits and for making all required notifications prior to the start of work, including One Call or excavation notices.

30.1.4 The Contractor must not operate any Company valves, equipment, fire suppression systems or alarm systems unless specifically outlined in the work permit or at the direct approval and/or presence of a Company Representative.

30.2 KEY REQUIREMENTS

30.2.1 Hot work is defined as any work that involves the use of open flames or other sources of ignition with the potential to generate a spark, heat or static electricity that could cause a fire or explosion.

30.2.2 Hot work permits will be coordinated with Company representative prior to commencing any hot work. Contractor performing hot work are responsible for the safe execution of assigned tasks. If an unsafe condition or potentially unsafe condition arises, work must be stopped and the condition reported to a Company representative.

30.2.3 Proper safeguards must be implemented to guard against changes in the working conditions. Hot work on "in-service" equipment must follow special precautions and must be identified in the hot work permit.

30.2.4 Unless permitted by premise specific policies or rated for the hazardous area non-intrinsically safe devices such as, cell phones, computers, radios, lighting or pagers must not be allowed in the area.

SECTION 31: SCAFFOLDS

31.1 GENERAL INFORMATION

31.1.1 Scaffolds must be designed, built, inspected and tagged by a competent person. All uses must conform to the applicable requirements. Daily inspections must be conducted before use and documented.

31.1.2 Lean-to scaffolds and make-shift platforms are prohibited.

31.1.3 Scaffolds must not be used for storing material except if material is being used while on the scaffold. Place material over cross members.

31.2 KEY REQUIREMENTS

31.2.1 Contractor must provide a competent person to oversee scaffold erection, inspection and permitting.

31.2.2 Contractor must ensure that scaffolding design and construction provides:

- A fall arrest system in place for each worker placed more than 4' / 2.4m (Canada) above a lower level;
- Level footing capable of supporting the loaded scaffold without settling;
- Components that can support at least 4 times the maximum intended load.
- In addition:
 - Wire or fiber rope used for scaffold suspension must be capable of supporting at least six times the intended load
 - All platforms must overlap at least 12" / 30cm and be secured from movement
 - Overhead protection must be provided to Contractors working on or near scaffolding
 - Pole scaffolds must be tied to the building or structure at intervals of no more than 25' / 7.5m

SECTION 32: SECURITY REQUIREMENTS

32.1 GENERAL INFORMATION

32.1.1 Company premises are not to be accessed by Contractor, vendors, or suppliers without prior authorization.

32.1.2 Only designated roads, gates, and doors should be used for entry or exit and park in designated areas.

32.1.3 Where permitted by law, US Contractor may be required to undergo successful background screening prior to being granted access to Company premises. The term premises is used in its broadest sense and includes, but is not limited to, all jobsites, projects, network or cyber access, and property owned, leased, operated or otherwise under the control of the Company .

32.2 KEY REQUIREMENTS – SECURITY FOR NON MARINE PREMISES

32.2.1 When entering and exiting Company premises, vehicles and belongings are subject to screening. Contractor is required to present valid government photo identification (e.g.; State/Province Issued Drivers License, Passport and Government Agency ID) to security or premises personnel and sign in and out of the premises.

32.2.2 Contractor may be required to review security requirements, undergo training sessions as appropriate, understand information protection requirements which in the US may include Security Sensitive Information (SSI), Chemical Vulnerability Information (CVI), and obtaining a CVI User Certificate as appropriate, and complete certain security paperwork (e.g. a Non-Disclosure Agreement) before being allowed to enter Company premises. Contractor must cooperate with all security requirements.

32.2.3 A Facility Specific Security Plan has been implemented at each premise that prescribes the security measures based on national and/or local threat levels. The Company has adopted the five-tier Homeland Security Advisory System (HSAS). The color-coded HSAS system provides uniform guidance to citizens, the private sector and public agencies on the perceived threat posed to the country by terrorists. Depending on the nature of the threat, you may see a heightened law enforcement or military presence at the premises

32.2.4 Anyone entering the premises should be aware at all times and report to a Company representative anything that is suspicious which include at a minimum:

- Recognition of characteristics and behavioral patterns of persons who are likely to threaten security;
- Observation of any suspicious activity, theft, vandalism, and suspicious or dangerous substances or devices.
- Any unauthorized filming or photography.
- Security Awareness for Information Protection must include;
- Contractors should exercise discretion in discussing proprietary information in public places where conversations can be easily overheard.
- Proprietary information, in any form, should be handled and stored in a manner which ensures its security.
- Care should be taken to protect documents, conversations, and information posted in public view from visitors to company offices.

32.3 KEY REQUIREMENTS – SECURITY FOR MARINE PREMISES

32.3.1 In Contractor entering a marine premises are subject to the measures required under the Maritime Transportation Security Act of 2002 (MTSA), the U.S. Coast Guard, international port security regulations and Transport Canada’s Marine Transportation Security Requirements. Failure to abide by security procedures may result in denial or revocation of authorization to access the premises.

32.3.2 Transportation *Workers Identification Credential (“TWIC”)*: Any person needing unescorted access to Company premises regulated by MTSA must possess a valid Transportation Workers Identification Credential (“TWIC”). A TWIC is a valid, non-revoked transportation worker identification credential. In addition, any person needing unescorted access must also have familiarity with all relevant aspects of the requirements of a TWIC holder.

32.3.3 Maritime premises have a similar system to the Department of Homeland Security’s threat advisory system. The Maritime Security Levels are referred to as MARSEC levels and are set at three levels (MARSEC Level 1, Level 2 or Level 3) similar to the color coded (Homeland Security Advisory System (HSAS)) threat advisory system.

**Homeland security advisory system (HSAS) threat
Condition Equivalent maritime security (MARSEC) level**
Low: Green MARSEC Level 1.
Elevated: Blue MARSEC Level 1.
Guarded: Yellow MARSEC Level 1.
High: Orange MARSEC Level 2.
Severe: Red MARSEC Level 3.

32.3.4 The current MARSEC Level must be posted on signs at access points or other common premises within the premises. Elevations in the MARSEC Levels must be taken seriously. The Facility Security Officer (FSO) must make sure that threat level information is communicated throughout the premises. In addition, at heightened MARSEC levels, the FSO must inform premises personnel about the threats, stress reporting procedures and the need for increased awareness.

32.4 DEPARTMENT OF HOMELAND SECURITY’S CHEMICAL FACILITY ANTI-TERRORISM STANDARDS (CFATS)

32.4.1 Contractor must notify Company thirty (30) days in advance of any plans to bring any chemical of interest (COI) onto the Premises, and must obtain the written approval of the Company Representative for that facility prior to bringing any COI onto the facility.

SECTION 33: SMALL TOOLS (POWER, AIR AND HAND TOOLS)

33.1 GENERAL INFORMATION

33.1.1 Contractor must follow the manufacturers' guidelines and guidelines from this section, for using small tools.

33.2 KEY REQUIREMENTS

33.2.1 Power, air, and hand tools must be in good condition. Replace worn tools immediately.

33.2.2 Remove damaged or frayed cords from service. Do not hoist or lower tools by the cord or hose

33.2.3 Do not use power tools if safety equipment such as shields, tool rests, hoods, and guards have been removed or rendered inoperative.

33.2.4 Contractor must wear identified PPE when using tools.

33.2.5 Ground electrically powered tools by ground-fault-circuit interruption devices.

33.2.6 Reduce the operating pressure of compressed air used for cleaning purposes to 30 psi or less.

NOTE: Compressed air cannot be used to clean substances from workers clothing or bodies.

SECTION 34: STOP WORK AUTHORITY

34.1 GENERAL INFORMATION

34.1.1 All Contractor and / or Company representatives have the authority to suspend a work task or group operation when the control of safety or environmental risk is not clearly established or understood.

34.1.2 Stop Work Authority is in place to ensure the right thing is done the right way. This program manages risk and protects personnel, the environment and assets. Any intervention will be supported by the Company and there will be no repercussions for using the Stop Work Authority

34.2 KEY REQUIREMENTS

34.2.1 Work must be stopped when:

- Any Contractor brings attention to an unsafe act or condition.
- An unsafe condition could result in an undesirable event

34.2.2 The steps to take:

- Stop work activities, remove workers from area and stabilize the situation. Make the area safe as possible.
- Notify all affected personnel and Company representative of the stop work issue.

34.2.3 Most issues can be adequately resolved in a timely fashion at the job site.

SECTION 35: TRAINING

35.1 GENERAL INFORMATION

35.1.1 Contractor is obligated to perform applicable safety training relative to the scope of work. Training and documentation for the proper application, use, care and maintenance of safety equipment must be conducted for all affected workers.

35.1.2 Contractor must conduct safety meetings to instruct on the recognition and avoidance of hazards in the work place. Safety meetings must focus on topics related to the scope of work to be conducted to ensure all contract workers understand potential hazards and mitigation steps.

35.2 KEY REQUIREMENTS

35.2.1 Daily tailgate safety meetings are required. These tailgate meetings are intended to review applicable safety permits and/or the JHA.

35.2.2 Detailed safety meetings must be conducted at least once per week.

35.2.3 Safety meetings/training and tailgates must be documented by the Contractor. The documentation must include each topic discussed, content, attendees, dates and the name(s) of instructors or persons presiding.

35.2.4 Company Representatives/Inspectors may attend these meetings to evaluate their value and improve communications.

35.2.5 Contractor must implement a Short Service Worker (SSW) Program for all Contractor workers that have less than 6 months of actual job task experience. It is the Contractor's responsibility to have a means of identifying short service workers (SSW). This can be accomplished with a unique colored hard hat or distinctive and easily visible marker or identifier.

SECTION 36: UNDERGROUND UTILITY LOCATING (ONE CALL)

36.1 GENERAL INFORMATION

36.1.1 Line hits have the potential to impact the general public, additional pipeline owner-operators and Company operations. This is a reminder to all Contractors of their legal and contractual requirement to complete the One - Call process.

36.2 KEY REQUIREMENTS

36.2.1 THE EXCAVATOR IS RESPONSIBLE FOR HAVING ALL UTILITIES LOCATED AT THE SITE.

36.2.2 One - Calls are a mandatory notification requirement. This mechanism allows the owners of underground facilities to identify their facilities before excavation occurs. This potentially avoids the damage, injury or service disruption that can occur by an excavator digging into underground facilities. These facilities include, but are not limited to electrical lines and pipelines carrying natural gas, liquid petroleum products, water and sewage.

36.2.3 Excavators are required by law to notify applicable One - Call Centers at least two working days (US) or three working days (Canada) in advance before starting an excavation project or otherwise applicable state requirement.

36.2.4 All utility lines on or near the job site must be identified and marked at this time using flags, spray paint, or both. Additionally, survey the area for identifiers such as pipeline line markers, depressions or other indicators of underground utilities.

36.2.5 Once utilities are marked, respect the demarcations and dig carefully in their proximity. Always expose underground installations by a safe and acceptable method. It may be necessary to excavate by hand in congested areas such as pump stations or when underground utility locations are unknown. Review available detailed underground facilities drawings before beginning an excavation. While the excavation is open, protect, support or remove such installations to safeguard Team members.

36.2.6 Always call One-Call before beginning an excavation project. Every digging project, no matter how large or small, no matter what the location, warrants a One - Call. Example digging projects include tasks as simple as installing a mailbox, building a deck, planting a tree or more complex tasks such as major road or building construction.

36.2.7 Depending on the location of the in relation to the excavation, a Company representative may be required at the job site to monitor excavation activity and can help determine the most appropriate digging method. Alert Company if work crews will be crossing the right-of-way with motorized equipment or vehicles.

36.2.8 If you accidentally damage or hit the Company pipeline or damage a pipeline marker, contact the Company immediately. All dents, scrapes or other damage need to be assessed and repaired to prevent a future leak or serious accident.

SECTION 37: VEHICLES – HEAVY EQUIPMENT (MOBILE POWERED)

37.1 GENERAL INFORMATION

37.1.1 Vehicles and heavy equipment brought on site must be inspected, tested, and certified to be in safe operating condition. The certification documentation must be available for review

37.1.2 Contractor equipment operators must be licensed or certified to operate equipment. Certification is required for crane operations, power industrial trucks, and others as applicable. Training documentation must be current.

37.2 KEY REQUIREMENTS

37.2.1 All Contractor personnel must have the proper commercial driver's licenses to operate equipment on public roadways.

37.2.2 Special permission by Company is needed for vehicles to enter restricted areas such as dike areas.

37.2.3 Contractor must be transported to and from the job site in a safe manner. Each passenger must have adequate seating. Standing up in a moving vehicle is strictly prohibited. While on Company right of ways riding in the back of a pick-up or similar truck that has not been equipped with adequate seating is prohibited. Seat belts must be worn by driver and all passengers while on public roadways.

37.2.4 All posted speed limits and traffic regulating signs must be observed. Only drive on designated roads or right of ways.

37.2.5 Reckless driving and horseplay is prohibited.

37.2.6 Mobile Equipment Operation

- Only properly trained, qualified personnel are permitted to operate equipment or machinery.
- Contractor is prohibited from operating Company owned equipment or machinery
 - This does not include Contractor workers considered to be temporary workers with Company approval.
- Company workers are prohibited from operating Contractor owned equipment or machinery.
 - This does not apply to equipment the Company rents.

37.2.7 Contractor must ensure all warning signs, rated load capacity charts, recommended operating speeds and other information is available for all mobile heavy equipment.

37.2.8 Audible back-up alarms must be correctly installed and maintained on Contractor equipment

37.2.9 Contractor is required to secure and/or remove keys from all vehicles and mobile equipment that remain on the right of way without supervision or security.

37.3 ALL TERRAIN VEHICLES (ATV) AND UTILITY VEHICLES

37.3.1 ATV's and utility vehicles include any motorized off highway vehicles having a bench or seat to be straddled by the Contractor and a handlebar or wheel for steering control).

- Under no circumstances may a Contractor use three-wheeled ATVs.
- All ATVs and utility vehicles must have the proper warning placards affixed to them. These placards include the general safety requirements, weight capacities, and tire pressures assigned by the manufacturer.
- Seat belt use is required on utility vehicles if the vehicle is equipped with them.
- ATVs and utility vehicles are not to be operated on public roads or public drives unless allowed by local traffic laws.
- (PPE must be worn when operating an ATV including:
 - A DOT, Snell, CSA or ANSI approved helmet with face shield and/or impact resistant goggles.
 - Long sleeved shirt and long pants.
 - Leather, heavy cotton, or company issued work gloves.
 - Other PPE that may be required for the working conditions

37.3.2 All Contractors operating ATVs and/or utility vehicles must complete a Safe Operations training course.

SECTION 38: WATER/DOCK SAFETY

38.1 GENERAL INFORMATION

38.1.1 Contractors who perform work on marine docks or who are at risk of falling into water must be protected from the fall utilizing the proper fall protection equipment and/or must use approved personal floatation devices.

SECTION 39: WELDING SAFETY

39.1 GENERAL INFORMATION

39.1.1 Contractor must follow approved, site-specific procedures for welding, cutting, and heating. If no site specific procedures exist, Contractor must develop procedures using guidelines in this section.

39.1.2 Contractor must meet all requirements related to welding safety and compressed gas cylinders.

39.2 KEY REQUIREMENTS

39.2.1 Contractor personnel performing welding and cutting must be qualified and trained in accordance with applicable standards and must be thoroughly familiar with potential hazards and precautions necessary to ensure safety.

- Grinder guards are required on all abrasive grinding wheels.
- Safety glasses must be utilized when hoods or pancake hoods are not in use

39.2.2 Mechanical Plugs, air bags, aqua-gel mud packs, dry ice, spheres or other approved sealants must be used to prevent flammable atmospheres/air mixtures from contacting possible sources of ignition (i.e. grinding, brushing, beveling). **Warning:** Mechanical plugs or air bags are not pressure holding devices and must not be used as pressure plugs. Air bags may not be approved for use in all business units.

39.2.3 Mechanical plug requirements:

- Extend the vent to an adequate location away from the work area to prevent possible ignition
- Do not install anything that restricts or narrows the inner diameter of the hose or piping
- Use a reinforced vent hose to prevent hose crimping, which would restrict venting
- Be sure that the pressure gauge and related openings are free from obstructions. Verify gauge accuracy before each use. If there is any pressure buildup, immediately declare the area unsafe and eliminate the pressure before resuming work.

SECTION 40: WORK CLOTHING

40.1 GENERAL INFORMATION

40.1.1 Normal work attire includes sleeved shirts and long pants are required at all times. Where hazards exist due to moving parts on machinery or equipment, clothing and hair must be maintained to avoid entanglement.

40.2 KEY REQUIREMENTS

40.2.1 Special work clothing must be worn where exposure to fire, extreme heat or cold, corrosive chemicals, electrical hazards, body impacts, cuts from handled materials or other specialized hazards are possible. See the premises or business unit's site specific requirements for any additional needs, such as Fire Retardant Clothing (FRC). The Contractor is required to supply special work clothing, ensure it is in good condition and properly worn, when required.

SECTION 41: WORKSITE SAFETY

41.1 GENERAL INFORMATION

41.1.1 It is the responsibility of each Contractor to inspect each work area at the beginning of each shift, and periodically thereafter, to ensure safe working conditions are maintained.

41.1.2 Contractor must provide illumination bright enough for work to proceed safely.

41.2 KEY REQUIREMENTS

41.2.1 Contractor must ensure protection from severe weather conditions including but not limited to: hurricanes, extreme winds, tornadoes, lightning storms, extreme heat or cold and flooding.

41.2.2 If lightning is seen or if thunderclouds are building overhead, Contractor must implement a lightning safety action plan without delay.

41.2.3 The Contractor needs to evaluate the environmental extremes of the project, such as the ability of their workers to work in areas of excessive cold or heat. Based on that evaluation the Contractor must implement the appropriate procedures to provide a safe work environment.

41.2.4 Contractor must provide an adequate supply of fresh drinking water on a daily basis for its workers. Unless otherwise specified, portable rest rooms must be provided and maintained by the Contractor.

41.2.5 **All animals, except for service animals,** are not allowed on Company premises.

SECTION 42: ENVIRONMENTAL REQUIREMENTS - GENERAL

42.1 KEY REQUIREMENTS

42.1.1 Contractor must review and comply with all applicable environmental permits and conditions, laws, regulations and Company requirements prior to the start and during work. If the Company obtained environmental permits, the Contractor will be provided copies. If the Contractor obtained environmental permits, the Contractor will provide the Company with copies.

42.1.2 Contractor must participate in and comply with all applicable project-specific environmental training prior to commencing work.

42.1.3 For projects on which the Company has designated an Environmental Inspector, the Contractor shall recognize that the Environmental Inspector has the authority to stop activities that violate environmental conditions, state/provincial or federal environmental permit requirements, or landowner requirements; and to order appropriate corrective action.

42.1.4 Contractor shall use only approved access roads and stay within approved and designated working, staging, temporary use, and parking area boundaries. The Contractor will stay out of exclusion zones. All motorized vehicles must be cleaned to prevent the spread of weeds.

42.1.5 Contractor must handle, treat, characterize and dispose of all waste in accordance with all applicable federal and state/provincial regulations and any specific contract requirements, such as Company approval of the disposal site. Trash, debris, and other wastes shall not be burned or otherwise disposed on site without

proper permitting. Waste materials must be secured while on the worksite. All containers will be properly labeled for content.

42.1.6 Contractor shall maintain a clean and safe worksite. Trash and debris will be collected at the end of each day. Cigarette butts must be disposed of in the receptacles provided and not in garbage bins or bags.

42.1.7 Contractor shall maintain equipment to prevent leaks. The Contractor shall take appropriate measures to contain potential leaks and repair leaks promptly.

42.1.8 Contractor shall perform refueling and equipment maintenance activities only in approved areas. Routine or planned vehicle maintenance is not allowed onsite. Before performing refueling and maintenance, install appropriate containment to collect potential spills; this includes absorbent pads, plastic sheeting, and/or mats beneath the equipment.

42.1.9 Contractor must not make any discharges to water that are not permitted or otherwise approved by law. In the event that the Contractor performs a discharge under an applicable state/provincial permit or regulation, they must comply with all applicable requirements.

42.1.10 Contractor must perform work in a manner that prevents effects of soil erosion and sedimentation in compliance with applicable laws, regulations, permits, and Company requirements. Clear and grade only areas necessary for construction and within the approved construction boundaries. Separate and replace topsoil in accordance with project requirements. Erosion and sediment control must be installed, inspected and maintained to contain soil on the construction site and away from wetlands and water bodies. Disturbed areas must be stabilized and re-vegetated where applicable, as soon as possible following construction in compliance with permit conditions and Company requirements or in accordance with landowner requirements.

42.1.11 Contractor must not collect or disturb indigenous plants, wildflowers, cultural artifacts, fossils or human remains in compliance with historic preservation laws, regulations, permits or Company requirements.. If artifacts, fossils or remains are discovered, work must stop immediately in the areas of the discovery and a Company Representative must be notified. The site must be protected from incursion. Work in the area may resume only after the Company provides approval.

42.1.12 Contractor must not agitate, take, feed or otherwise harm wildlife (mammals, birds, snakes, etc.), or livestock. If wildlife or livestock are affected by the construction activity, Contractor must notify a Company Representative.

42.1.13 Contractor must not agitate, take, feed or otherwise harm species protected by federal, state/provincial, local statutes or permits or their habitat, or migratory birds or their nests. If protected species and/or their habitat or migratory birds and/or nests are affected by the construction activity, Contractor must stop activity in the area and notify a Company Representative. Work in area may resume only after the Company provides approval.

42.1.14 All Contractors who meet the requirements for needing a Spill Prevention Control and Countermeasure plan (SPCC) must comply with all plan requirements. The SPCC, if needed, must be submitted to the Company.

42.1.15 Spills resulting from Contractor activity must be reported to a Company Representative immediately. Immediate actions will be taken to safely stop the discharge, contain it, and clean it up in accordance with applicable statutory and Company requirements. Spills include, but are not limited to: small quantities of hydraulic fluid, motor oil and fuel spilled during equipment refueling operations.

42.1.16 Company facility/premise may be required to follow applicable Air Permit requirements. Contractors must review the permit with Company Representative to ensure all Air Permit requirements are followed.

42.1.17 Contractor must properly train their workers on their responsibilities regarding spill notification requirements and have all notification numbers available at all times.

SECTION 43: ENVIRONMENTAL – HAZARDOUS WASTE MANAGEMENT

43.1 GENERAL INFORMATION

43.1.1 Contractor is responsible for the safe use and disposal of chemicals and hazardous materials brought onto Company property in compliance with applicable laws and regulations, and for complying with the applicable requirements for generation of hazardous waste.

43.1.2 Contractors that generate hazardous waste must comply with all regulations. No hazardous waste may be disposed in Company waste containers. If there are questions, consult Company Representative.

43.2 KEY REQUIREMENTS

43.2.1 In the US, do not store more than 55 gallons / 208 liters of hazardous waste or one quart of acutely hazardous waste without written approval from Company. Waste containers must be clearly be labeled as to their contents.

43.2.2 The disposal of waste materials such as asbestos, lead paint, hazardous construction debris, or contaminated soil resulting from demolition or excavation must be approved by the Company.

SECTION 44: ENVIRONMENTAL – SPILL PREVENTION AND CONTROL

44.1 GENERAL INFORMATION

44.1.1 Contractors must minimize the risk of spills or releases to the environment by implementing appropriate protective procedures such as secondary containment, double containment, employee training, overflow protection, and other measures as part of activities involving the use, storage, or handling of petroleum products or hazardous materials on Company property.

44.2 KEY REQUIREMENTS

44.2.1 Containers of hazardous materials and petroleum products should be stored in a manner that prevents releases to the environment. This requires selecting locations and methods to minimize exposure to rainfall, surface water, and the ground. Enclosures, shelters, and secondary containment should be used where appropriate. Containment pans should be placed under equipment where there is the potential for a leak or discharge.

44.2.2 Prior to discharge from a containment system, inspect the primary container for signs of leakage, and inspect the containment system by visual observation for color, foam, outfall staining, visible sheens, and dry weather flow. The discharge from a containment system that has evidence of contamination is prohibited.

44.2.3 The Contractor must maintain a log indicating the individual making the observations, description of accumulated stormwater, and the date and time of release. These logs must be maintained daily, monthly and yearly as outlined in the regulation. Submit a copy of the log to the Company.

SECTION 45: ENVIRONMENTAL – DISCHARGES TO STORMWATER CONVEYANCE SYSTEMS

45.1 GENERAL INFORMATION

45.2.1 All discharges to a permitted stormwater conveyance system must be performed in compliance with the applicable permit and Storm Water Pollution Prevention Plan (SWPPP).

45.2.2 Non-stormwater discharges are NOT permitted unless approved by Company. Examples of prohibited activities include:

- Discharging of rinse water from vehicle or equipment washing
- Discharging of treated water systems such as water fountains, cooling tower water
- Discharging groundwater from excavations

45.2.3 An unauthorized or unpermitted non-stormwater discharge is considered a release and must be reported and documented in accordance with the accident/incident and spill notification procedures.

SECTION 46: ENVIRONMENTAL – EROSION CONTROL

46.1 GENERAL INFORMATION

46.1.1 Appropriate erosion and sediment control measures must be in place prior to ground breaking or any condition that could cause silt to enter a sewer, wetland, or water body.

46.1.2. If a construction activity involves ground disturbance, the work may be subject to an applicable permit. In the US, this is a construction storm water permit; if a permit is required, the project must have a SWPPP developed and implemented before starting the work and the construction must be performed in compliance with the SWPPP.

SECTION 47: ENVIRONMENTAL – EXCAVATION ACTIVITIES IN ENVIRONMENTALLY RESTRICTED AREAS

47.1 GENERAL INFORMATION

47.1.1 In areas outlined in the general site drawings as environmentally restricted or areas identified as environmentally sensitive (i.e. – parks, water bodies, areas containing migratory birds, etc.), excavations are prohibited unless approved in writing by Company. If an area is marked on the drawings or delineated on site as an exclusion zone, the Contractor will not enter the area without express authorization.

SECTION 48: ENVIRONMENTAL – OPEN BURNING

48.1 GENERAL INFORMATION

48.1.1 Unless otherwise specified, open burning of debris on Company property is prohibited.

SECTION 49: ENVIRONMENTAL – WORKING NEAR WATERBODIES AND WETLANDS

49.1 GENERAL INFORMATION

49.1.1 Contractor must minimize disturbance to water bodies and wetlands by ensuring that all proper permits have been obtained and reviewed prior to commencement of work activities and ensuring that proper precautions are taken to minimize vegetation loss and impact to water quality and compliance with the permit.

49.2 KEY REQUIREMENTS

49.2.1 Do not drive through open water bodies or wetlands.

49.2.2 Do not take water from or discharge to water bodies or wetlands without prior approval and required permits. Carry out proper water quality monitoring and discharge water handling procedures as required by permits.

49.2.3 Take all measures required to mitigate disturbance to water bodies by utilizing proper soil handling, erosion and sediment control techniques. (i.e. – install berms, cross ditches, and or silt fences at the base of approach to slopes of wetlands between the wetlands and work area).

49.2.4 If the project requires working within or across a water body or wetland, verify that the project design complies with all applicable permits before initiating work in the resource, and perform the crossing in compliance with the design.

27	Protecting the Public	1910.145; 1926.200	56.9300; 77.1605			17	12	4.1	20.1-20.8	213/91; 64-66	0-1.1; 1; 9; 133
28	Radiation Producing Equipment	1910.97; 1096; 1926.53-54	57.5047			10.26	20	7.17-7.25	18.1-18.4	855	0-1.1; 1; 6; 84-85
29	Regulatory Agency Inspections	1903; 1926.3	Parts 43			17.9		3.5-3.8	2.4 (1)-2.4 (2)	611	0-1.1; 1; 29; 414
30	Respiratory Protection	1910.134; 1926.103	Parts 72			12.7-12.8	18	8.32-8.45	6.15-6.16	213/91;	0-1.1; 1; 7; 88-90
31	Right-Of-Way / Roadside Work	1910.202; 1926.201; MTUCD	56.9100			13.15	12.194	18.1-18.17	6.7; 15.9; 20.1-20.8	611; 10	0-1.1; 1; 9; 132-133
32	Safety Permits (Safe, Hot, Confined Space)	1910.146; 1910.252	75.103					9.13	15.4-15.5	213/91; 224-225	0-1.1; 1; 18; 272
33	Scaffolds	1910 Subpart D; 1926 Subpart L	56.11027; 57.11027			4.10	23	13.7-13.33	28.1-28.47	213/91; 125/136	0-1.1; 1; 12; 168-198
34	Security Requirements	40 CFR 1572; 33 CFR 101.105					27	4.27-4.31	11.1-11.2	20/32	0-1.1; 1; 3; 36-37
35	Small Tools (Power, Air and Hand)	1910.242; 1926.301	56.14205; 77.402			14	25	12.1-12.83	16.4-16.13	278/05	0-1.1; 1; 10; 134-152
36	Stop Work Authority					9.6		3.12	24(2)	20 / 43-49	0-1.1; 1; 3; 13
37	Training	1910.120; 1926 Subpart R App E	48.25			11.19		3.22-3.25	14.26	20; 25	0-1.1; 1; 3; 19
38	Underground Utility Locating (One Call)		43.7	192; 195				4.18		210/01	0-1.1; 1; 17; 260
39	Vehicles – Heavy Equipment (Mobile Powered)	1910.66-68; 179-181; 1917.43; 1926.600	56.6202			15	19	16.1-16.35	22.1-22.30	213/91; 93-106	0-1.1; 1; 11; 153-167
40	Water / Dock Safety	1917; 1918; 1926.106	56.15020			13.12	18.7	8.26-8.30	6.17 (3)(5)	213/91; 27	0-1.1; 1; 7; 108
41	Welding Safety	1910.253; Subpart Q; 1926.350,354	56.4600-4604				10; 171-174	12.112-12.126	17.1-17.9	213/91; 122-124	0-1.1; 1; 15; 370-373
42	Work Clothing	1910 Subpart I; 1926 Subpart E	57.150			10.37-38; 13.13	7 / 118	8.31	6.1 / 6.13(1)	213/91; 21-27	0-1.1; 1; 7; 86-97
43	Worksite Safety	1910.22; 1926.20	56.11001			18.1-18.18	12	2.2	2.1	213/91; 31-34	0-1.1; 1; 3; 12
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46	Environmental – Spill Prevention / Control				112						
47	Environmental – Discharges to Stormwater										
48	Environmental – Erosion Control										
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50	Environmental – Open Burning										
51	DOT – Operator Qualification			192; 195							

Acknowledgment of Contractor Safety Policy Receipt

Your signature certifies that you have read and understand the Company's Contractor Safety Policy and that you ensure compliance of the terms and conditions set forth in the policy on behalf of your company and employees.

Name: _____

Title: _____

Company: _____

Phone: _____ Email: _____

Date Completed: _____

APPENDIX A

Safety Numbers and Questionnaire

Please complete this form and return as soon as possible to the Company Representative.
No work can start or continue until approved by the appropriate Company Representative.

1. Incident Performance

	2016	2017	2018	2019	2020 YTD
Experience Modifier Ratio					
How to compute your recordable or lost time frequency ratios. Number of incidents X 200,000 divided by number of total company hours worked.	Total Hours Worked				
	Fatalities				
	Lost Time Injuries				
	Lost Time Frequency				
	Total Recordable Cases				
	Total Recordable Frequency				
	Vehicle Incidents				

2. Environmental Performance

	2016	2017	2018	2019	2020 YTD
Number of spills					
Volume (bbl)					
Type of spilled material					

3. Does your company have a designated Safety Official? If so, please provide information below.

Name: _____

Title: - - - - -

Phone:

E-mail: - - - - -

4. Does your company have a written Safety Manual or Safety Plan? If so, please provide a copy.
5. Provide a list of any OSHA/MSHA/FRA related job site or shop visits to your company and its operations in the past five years (2009 to Present).
 - a. Did your company receive a written citation from OSHA/MSHA/FRA as a result of their visit? If so, what were the citations for? List each with date and location.
 - b. If cited by OSHA/MSHA/FRA what amount of money was charged per violation?
 - c. What were the corrective actions provided to OSHA/MSHA/FRA to mitigate each violation received?

APPENDIX B

Required Contractor Documentation

The Company requires that Contractor provide a copy of the following items:

- Executed Company Safety Policy
- Completed Appendix A
- Contractor's Safety and Drug and Alcohol Policy
- Certificates of training and handling
- Completed and executed Master Services Agreement
- Insurance certificate(s) showing proper coverages
- W-9
- Recent projects/professional references
- Any other applicable documents as required (HASP, etc.)

APPENDIX C
Master Services Agreement

MASTER SERVICES AGREEMENT

CONTRACTOR INFORMATION:

Contractor(company)name: _____
Address: _____
City: _____ State: _____ Zip: _____ :
Contact _____ Title: _____
Telephone: _____ Fax: _____ Email: _____
Contractor:
 individual/sole proprietorship corporation limited liability company limited partnership partnership other:

State of formation (if an entity) or residence (if an individual): _____ Tax ID/SSN: _____

WATCO INFORMATION:

Watco entity company name: Watco Companies LLC and its affiliates, subsidiaries and/or assigns
Address: _____ 315 _____ W. _____ 3rd _____ Street
City: Pittsburg State: KS Zip: 66762
Contact Name: Laura Blodgett Title: Purchasing Clerk
Telephone: 208-734-4644 Fax: 208-734-4844 Email: purchopstrack@watcocompanies.com
Nature of Contractor:
 individual/sole proprietorship corporation limited liability company limited partnership partnership other:

State of formation (if an entity) or residence (if an individual): Delaware Tax ID/SSN: _____

All Contractor invoices must be addressed and delivered to "Attn: Accounts Payable" at the appropriate Watco entity.

PAYMENT TERMS:

Indicate the payment terms applicable to Services performed under this Master Services Agreement:
 sixty (60) days 2% 15 Net 30

TERM/TERMINATION:

Indicate the effective date of this Master Services Agreement:
 the later of the parties' signature dates to this Master Services Agreement _____ (month/day/year)
Indicate the term or termination date of this Master Services Agreement, subject to Section 4 of the attached Terms and Conditions:
 indefinitely _____ year(s), _____ month(s) _____ (month/day/year) occurrence of the following event: _____

AGREEMENT:

Watco agrees to engage Contractor on a nonexclusive basis to perform the services ("Services") described in one or more purchase orders, in the form attached hereto as Exhibit A ("**Purchase Orders**"), as may be entered into from time to time by Watco and Contractor, and Contractor agrees to be so engaged and to perform the Services, in accordance with this Master Services Agreement, the attached Terms and Conditions and those Purchase Orders (collectively referred to as the "**Master Services Agreement**" or "**Agreement**"). By signing below, each undersigned acknowledges that it has read and understands, and agrees to be legally bound by, this Master Services Agreement. If a person is signing below on behalf of an entity or another person, the person signing represents and warrants that he or she has been properly authorized and empowered to sign this Master Services Agreement on behalf of that entity or other person and to bind that entity or other person to this Master Services Agreement.

By: _____
Name: _____
Title: _____
Date: _____

WATCO COMPANIES, L.L.C.

By: _____
Name: _____
Title: _____
Date: _____

MASTER SERVICES AGREEMENT TERMS AND CONDITIONS

SECTION 1. SERVICES.

1.1 Independent Contractor Status. Contractor is an independent contractor under this Agreement, unrelated to Company or any of its subsidiary or affiliated entities. Nothing herein creates, or will be construed to create, a partnership, joint venture, employment, or agency relationship between Contractor and Company, including any individual employed or provided by Contractor to perform the Services hereunder. Neither Contractor nor Company will have authority to enter into agreements of any kind on behalf of the other, or otherwise bind or obligate the other in any manner to any third party, by virtue of the relationship contemplated by this Agreement. Except as otherwise provided in a Purchase Order, Contractor will have the right to control and to determine the method and means of performing the Services. Company will be entitled, however, to exercise general power of supervision and control over the work performed by Contractor and to inspect and approve that work. Contractor agrees to follow all reasonable suggestions or recommendations made by Company with respect to the performance of the Services. Contractor has sole responsibility to determine those matters governing the employment terms and conditions for its employees working under this Agreement. Company has no such authority or rights, however Company may request that Contractor reassign employees to other non-Company projects at Company's sole discretion. Contractor shall pay, and assure that its suppliers, subcontractors, and all other parties under its control or supervision who will have any personnel performing services at Company premises shall pay, as required by applicable laws, all payroll taxes, contributions, or payments for unemployment insurance, worker's compensation insurance, old age pensions, or annuities, including social security contributions, and shall defend and hold Company harmless from any assessments in connection therewith. Contractor shall be fully responsible for all acts and omissions of subcontractors.

1.2 Suspension of Services for Non-compliance. Company may, at its option, suspend the Services for a full safety inspection and correction at any time that Company: (a) discovers a safety violation; or (b) sees the possibility of a dangerous condition in any area where the Services are performed; or (c) notices a pattern by Contractor or any subcontractor of disregard for maintaining a safe jobsite. If Contractor has two or more safety violations documented by Company, then such violations shall be grounds for termination of this Agreement, or Company may eject Contractor's personnel and Contractor's subcontractor(s) and their personnel from Company premises or jobsite, or both.

1.3 Taxes. Contractor shall be solely responsible for all federal, state and local taxes and related contributions attributable to the payments from Company to Contractor for Services performed. Contractor further acknowledges and agrees that Contractor is an independent contractor for federal, state, and local income and employment tax purposes, including FICA and FUTA.

SECTION 2. PURCHASE ORDERS.

2.1 Generally. Purchase Orders may be entered into only during the term of this Agreement, and will be effective only when signed and delivered by authorized representatives of Company and Contractor, and will become effective as of the later of the parties' signature dates on the Purchase Order. All Purchase Orders will be subject to this Agreement. Notwithstanding the foregoing, if any provision contained in a Purchase Order conflicts with any provision contained in this Agreement, the provision contained in the Purchase Order will govern.

2.2 Purchase Order Changes. From time to time, Company may propose changes in the Services to be performed pursuant to a Purchase Order. Company may make non-material changes to a Purchase Order, including changes not imposing additional expense or burden on Contractor, by written notice to Contractor. Any material change to a Purchase Order, including changes that

will affect the compensation payable to Contractor, will be made by amendment to the Purchase Order.

2.3 Termination. A Purchase Order will terminate upon completion of the Services unless earlier terminated at any time upon mutual written agreement of both parties, or by Company upon 30 days' prior written notice to Contractor. In addition, all Purchase Orders will terminate upon termination of this Agreement.

SECTION 3. COMPENSATION, EXPENSES AND PAYMENT.

3.1 Compensation. In consideration of the Services performed, Company shall pay Contractor compensation as set forth in the Purchase Order(s). Company will not be obligated to reimburse Contractor for, or pay any charge, cost, or expense incurred by Contractor in furtherance of its performance of Services or otherwise, unless specifically set forth in a Purchase Order.

3.2 Invoices. Unless otherwise specifically set forth in a Purchase Order, Contractor shall submit to Company invoices for Services rendered at the end of each month for Services performed during that month. Each invoice must (a) be correctly addressed, (b) describe accurately the Services performed and the amounts owed (c) contain the purchase order number and a sequential invoice number, (d) be in a format consistent with Contractor's purchase order issued in connection with this Agreement, and (e) specify any reimbursable charges, expenses, and costs. Contractor must include receipts or other appropriate documentation for any reimbursable charges, expenses, and costs with the invoices or reimbursement may be denied.

3.3 Prepayments. Unless otherwise specified in a Purchase Order, any payment made by Company to Contractor under this Agreement prior to the performance of corresponding Services under a Purchase Order ("**Prepayment**") will be considered an advance payment of compensation and reimbursable charges, expenses, and costs (if applicable) directly related to and set forth in invoices issued under that Purchase Order ("**Prepayment Purchase Order**"). The entire Prepayment will be applied to the first invoice submitted by Contractor to Company for the Prepayment Purchase Order and, if a Prepayment balance continues to exist, each succeeding invoice until the Prepayment has been fully applied. Contractor may not apply any portion of the Prepayment to compensation or any reimbursable charge, expense, or cost that is disputed by Company or that is owed to Contractor under a different Purchase Order.

3.4 Withholding. Notwithstanding the foregoing, Company may withhold or, on account of subsequently discovered evidence, nullify the whole or any part of any payment (and thus, shall not be required to make payment or pay any interest on such payments) to such extent as may be reasonably necessary to protect itself from loss on account of: (a) defective Services not remedied by Contractor; or (b) claims filed, or reasonable evidence indicating probable filing of claims, related to the Services; or (c) material evidence of financial difficulty of Contractor that might prevent complete performance of this Agreement by Contractor; or (d) failure by Contractor to comply with any material provisions of this Agreement.

3.5 No Unilateral Change of Terms and Conditions. At no time will Contractor use a purchase order or other invoicing or payment document to attempt to modify the terms and conditions of this Agreement. Any attempt by Contractor to modify the terms in such a manner shall be null and void.

SECTION 4. AUDITS AND RECORDS.

Contractor shall maintain true and accurate records regarding the Services provided and associated transactions, adequate to (a) demonstrate Contractor's compliance with this Agreement and any applicable Laws, (b) verify fees and charges, (c) demonstrate the accuracy of reports, and (d) enable Company to comply with all applicable Laws. Contractor shall retain those records for at least

five (5) years after completion of those Services and transactions, in a format that allows Company to reasonably view and verify such information in printed or electronic form. Company and its representatives and regulators may, from time to time, reasonably inspect and audit such records in order to verify Contractor's compliance, at all reasonable times during normal business hours and after at least three (3) days prior written notice. Contractor shall reasonably cooperate with such audits, including providing reasonable access to and use of Contractor's locations and resources in a manner that avoids, to the extent reasonably practicable under the circumstances, unreasonable disruption of Contractor's operations and unnecessary interference with Contractor's ability to perform the Services.

SECTION 5. TERM AND TERMINATION OF AGREEMENT.

5.1 Termination. This Agreement may be terminated at any time upon written agreement of the parties, or by either party upon thirty (30) days' prior written notice to the other party, provided that Contractor may not so terminate this Agreement at any time that it is then obligated to perform Services under an active Purchase Order.

5.2 Termination upon Breach. Notwithstanding the foregoing, either party may terminate this Agreement upon written notice to the other party in the event the other party materially breaches any obligation hereunder and fails to cure within fifteen (15) days after written notice of the breach. Breach by Contractor shall include but not be limited to, the following actions or inactions: (a) refusal or failure to supply sufficient number of properly skilled workers, or proper goods or materials, or to otherwise fail to perform the Services in a timely manner; or (b) failure to make prompt payment to subcontractors or materialmen, whether for materials or labor; or (c) violation or indictment for any violation of any Law; or (d) failure to obtain and maintain insurance as required hereunder, or failure to otherwise observe the insurance provisions hereof; or (e) Contractor: (i) becomes insolvent; (ii) fails to pay its debts or perform its obligations in the ordinary course of business as they mature; (iii) is declared insolvent or admits its insolvency or inability to pay its debts or perform its obligations as they mature; or (iv) becomes the subject of any voluntary or involuntary proceeding in bankruptcy, liquidation, dissolution, receivership, attachment, or composition, or makes a general assignment for the benefit of creditors, provided that, in the case of an involuntary proceeding, Contractor fails to provide assurances of future performance to Company reasonably satisfactory to Company within fifteen (15) days.

5.3 Effect of Termination. Upon termination of this Agreement, any and all rights and obligations of the parties under this Agreement will terminate, provided that all rights, obligations, or liabilities accrued hereunder prior to termination, and any other right, obligation, or liability which by its nature or express duration extends beyond the termination of this Agreement, will survive termination and continue in effect indefinitely or for that express duration. In the event of any termination for convenience (or expiration), Contractor shall cease the terminated Services upon the effective date of termination, and Contractor shall only be entitled to payment for Services completed in accordance with this Agreement prior to the effective date of termination (and, therefore, shall refund to Company any payment made by Company for Services not yet provided in accordance with this Agreement). The payment for any Services provided on a monthly fee or fixed fee basis shall be apportioned based on the Services provided in accordance with this Agreement (including any deliverable milestones) prior to the effective date of termination. In no event shall Company be liable for payment to Contractor of any unrealized costs or anticipated profits under this Agreement. Notwithstanding the foregoing, Company shall be entitled to deduct any costs or expenses owed to Company by Contractor against any sums due to Contractor as a result of Company terminating this Agreement. Additionally, in the event of a termination by Company for cause, Company may take over the Services and prosecute the same to completion and may utilize any other remedies available at law or equity, and Contractor shall be liable to Company for all additional costs and expenses incurred by

Company to complete the Services, including any damages for delay in completing the Services, and for any damages or injury of any type or kind caused by Contractor's failure to fulfill its obligations under this Agreement.

SECTION 6. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Contractor represents, warrants, and covenants to Company as follows:

6.1 Contractor. Contractor is duly licensed, authorized, or qualified to do business, and is in good standing in every jurisdiction in which a license, authorization, or qualification is required for the ownership or leasing of its assets or the transaction of business of the character to be transacted by it, except where the failure to be so licensed, authorized, or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations under this Agreement.

6.2 Performance. Contractor shall perform all Services to be performed in a workmanlike manner, with professional diligence and skill, and use sound and professional principles and practices in accordance with normally accepted industry standards.

6.3 Contractor Information. All information provided by Contractor to Company in accordance with Company's vetting of Contractor prior to or during the course of this Agreement is complete and correct in all material respects. If such information materially changes, Contractor shall immediately inform Company.

6.4 Work Authorization. Contractor has, or shall obtain prior to the rendition of Services hereunder (at Contractor's sole cost and expense), any and all immigration documents, visas, clearances, permits, licenses, and the like necessary and appropriate for the lawful rendition of Services by Contractor in the United States and other locations contemplated by this Agreement.

6.5 Compliance with Policies. Contractor agrees to comply with, and to cause Contractor's affiliates and subcontractors, and the directors, managers, officers, employees, representatives, and agents, as applicable, of Contractor and its affiliates, and any subcontractor or other third party who assists Contractor in performing under this Agreement or who receives access to Confidential Information from Contractor to comply with (a) the policies and manuals of Company, including without limitation Company's Safety Manual, provided by Company on its website at <https://www.watcocompanies.com/about/safety/operation-and-safety-rules/>, which policies and manuals may be revised, replaced, or supplemented by Company from time to time at its sole discretion, with notice to Contractor being deemed given when posted on such website, and (b) any additional policies or manuals of Company described in this Agreement ((a) and (b) collectively, "Policies"). If any provision contained in a Policy conflicts with any provision contained in this Agreement, the provision contained in this Agreement shall govern.

6.6 Training and Safety Plan. Contractor, as an independent contractor, is experienced in the Services to be undertaken hereunder. Contractor agrees to provide all necessary training, safety equipment, and safety instruction, including a written safety plan, if requested by Company, necessary for the safety of the employees, invitees, agents, contractors, and representatives of Company, Contractor, and any subcontractors of Contractor. Contractor shall be proactive and prudent and shall take all necessary precautions regarding all safety issues and shall actively promote working conditions and work practices that will ensure all workers a safe and healthful work environment. Contractor shall instruct its employees, agents, and subcontractors, and the personnel of such, to contact Company, prior to commencing any Services, regarding safety policies and procedures and potential hazards or hazardous materials in the areas where the Services will be performed, whether or not such hazards are addressed by any Laws.

6.7 Condition of Jobsite. In performing the Services, Contractor agrees to maintain all jobsites hereunder in a clean, safe condition in compliance with applicable Laws and to Company's reasonable satisfaction. If Contractor fails to so maintain any jobsite, Company may secure such maintenance from another source at

Contractor's expense without affecting Contractor's obligations or responsibility to perform hereunder.

6.8 No Liens. Contractor shall not allow any mechanic's or other lien to be asserted or filed against Company, or against any property or equipment of Company, whether owned, leased, or otherwise, and if such lien is asserted or filed, Contractor shall immediately notify Company and take, at its sole cost and expense, such steps and actions necessary to cause such lien to be discharged, released or removed within fifteen (15) days.

6.9 Equipment Utilized. Contractor shall provide and maintain all equipment reasonably necessary to the performance of the Services. All such equipment shall be of a sort and in a condition appropriate to its use. Contractor shall remove and clean up any and all oil, chemicals, compounds, elements, and flammable or hazardous materials spilled or otherwise not removed in connection with the Services.

6.10 Products Provided. All work, goods, or materials sold or provided by Contractor, or caused by Contractor to be sold or provided to Company pursuant to this Agreement, are free from defects, are of merchantable quality, are of the quality, quantity, size, description and dimensions specified and otherwise conform to Company's specifications, and are free from the claim of any third person by way of actual or alleged infringement of any patent, trademark, trade name, trade dress, trade secret, or any similar right. Company may inspect and reject any and all goods or materials delivered or work performed under this Agreement in its sole judgment. If any such products fail to meet the warranties contained herein, Contractor, upon notice from Company, shall promptly correct or replace those products at Contractor's expense.

6.11 Compliance with Laws. Contractor shall at all times observe and comply with all applicable Laws that may apply to this Agreement or the Services, or both. For purposes of this Agreement, "Laws" means all applicable statutes, rules, regulations, ordinances, orders, codes, permits, licenses, requirements, rules, and standards (including consent decrees, judicial decisions and administrative orders) of all federal, state, and local governments, departments, commissions, agencies, and boards with appropriate jurisdiction.

6.12 Power and Authority; Binding Agreement. Contractor has the power and authority to execute, deliver and perform this Agreement, which constitutes a valid and binding obligation of Contractor, enforceable against Contractor in accordance with its terms.

6.13 Insurance. At all times while this Agreement is in effect, and a Purchase Order is active, Contractor shall maintain in effect at its own expense, with a company or companies reasonably acceptable to Company, such insurance as outlined in the Insurance Limits and Coverages document attached hereto as **Exhibit B**, or such other insurance as may be reasonably required by Company from time to time. Furthermore, Contractor shall be required to ensure all of its subcontractors also comply with Company's insurance requirements before entering onto Company's property.

6.14 No Infringement and Ownership of Work Product. Contractor's execution and performance of this Agreement, including any work product produced by Contractor under this Agreement, shall not infringe the proprietary, legal, or contractual rights of any third party, including without limitation under the intellectual property laws of the United States, any state, or any foreign state or country. All work product resulting or derived from, or made in the course of performance of the Services, including any invention (whether or not patentable), research results, software program, written material, report (and data in that report), and, if indicated on a Purchase Order, derivative or modification of any background technology identified in that Purchase Order (collectively, "**Work Product**"), will be considered "work for hire" and, unless already in the public domain, all right, title, ownership and interest in items of Work Product will be vested exclusively in Company. All rights in and to background technology specifically identified in a Purchase Order will remain with Contractor, provided that to the extent any of that background technology is included with or incorporated into the Work Product, Company is hereby granted a perpetual, non-terminable, royalty-free license to use,

reproduce and distribute the same for any and all purposes. If by operation of law any Work Product, including all related intellectual property rights, is not owned exclusively by Company automatically upon creation thereof, then Contractor agrees to assign to Company all of Contractor's rights in that Work Product, including all related intellectual property rights and goodwill associated therewith. From time to time upon request by Company, Contractor promptly shall execute any and all documents and instruments as may be necessary to evidence, protect, perfect or otherwise confirm Company's rights hereunder in respect of the Work Product.

SECTION 7. INDEMNITY.

7.1 Indemnification by Contractor. Contractor, on behalf of itself and its employees, agents, and subcontractors, hereby releases and shall indemnify, hold harmless, and defend Company and its affiliates, and their respective officers, directors, employees, agents, invitees, and advisors ("**Company Indemnitees**"), from and against, and shall reimburse such Company Indemnitees with respect to, any and all claims, demands, causes of action, proceedings, losses, damages, debts, expenses, liabilities, fines, penalties, deficiencies, judgments, or costs, including reasonable attorney fees, court costs, amounts paid in settlement, and costs and expenses of investigations, at any time asserted against or incurred by any of such Company Indemnitees arising out of, in connection with, resulting from or by reason of: (a) breach of this Agreement by Contractor, or (b) any act or omission of Contractor or Contractor's officers, agents, invitees, licensees, contractors, subcontractors, or any party directly or indirectly employed by any of them, or any party they control or exercise control over ("**Contractor Parties**"); or (c) any personal injury or death to Contractor Parties, which arises out of or in connection with the Services; or (d) any other claim related to employment or employees of Contractor, which arises out of or in connection with the Services; or (e) any third party personal injury, death, or damage to property, arising out of or in connection with the Services; or (f) any and all liabilities arising out of resulting from, or related to (in whole or in part) any environmental laws, where such liabilities arise out of, result from, or are related to actions or inactions by Contractor Parties related to the Services. Company will have the right to set off against all sums payable to Contractor under this Agreement, any and all sums payable to Company under this section.

7.2 Indemnification by Company. Company shall indemnify, hold harmless, and defend Contractor and its officers, directors, employees, agents and advisors ("**Contractor Indemnitees**") from and against, and shall reimburse those Contractor Indemnitees with respect to, any and all claims, demands, causes of action, proceedings, losses, damages, debts, expenses, liabilities, fines, penalties, deficiencies, judgments, or costs, including reasonable attorney fees, court costs, amounts paid in settlement, and costs and expenses of investigations, at any time asserted against or incurred by any of those indemnified parties to the extent arising out of, in connection with, resulting from or by reason of: (a) breach of this Agreement by Company, or (b) any grossly negligent or willful act or omission of Company or Company's officers, agents, invitees, licensees, contractors, subcontractors, or any party directly or indirectly employed by any of them, or any party they control or exercise control over ("**Company Parties**").

7.3 No Consequential or Incidental Damages. Neither party shall be liable in any case for any consequential, incidental, or special damages arising out of or in connection with this Agreement.

SECTION 8. CONFIDENTIALITY.

Contractor shall treat as confidential all trade secrets, Work Product, and other proprietary information regarding Company provided or made accessible by Company under this Agreement ("**Confidential Information**"). Without the express written consent of Company, Contractor shall not disclose Confidential Information to any third party, nor use that information, directly or indirectly, other than as contemplated by this Agreement. Notwithstanding

the foregoing, Confidential Information does not include, and this Agreement imposes no obligation upon Contractor with respect to, information that Contractor demonstrates (a) was in Contractor's possession on a non-confidential basis before receipt from Company, (b) was or has become generally available to the public other than as a result of disclosure by Contractor or any of the directors, officers, employees, agents, consultants, advisors or other representatives (collectively, "Representatives") of Contractor, (c) has become available to Contractor on a non-confidential basis from a source other than Company or Company's Representatives, provided that the source is not known by Contractor or Contractor's Representatives to be bound by a confidentiality agreement with Company or Company's Representatives or otherwise prohibited from transmitting the information to Contractor by a contractual, legal, fiduciary, or other obligation, or (d) which is required to be disclosed by judicial or administrative process, provided Contractor must promptly notify Company and allow Company a reasonable time to oppose that process, if appropriate, in the sole discretion of Company. All Confidential Information (including in electronic format) will remain the property of Company and those materials (along with all copies thereof) will be returned to Company or destroyed, as directed by Company, upon termination of this Agreement, or when requested by Company. Contractor's compliance with this Section will be at no cost to Company. The provisions of this Section shall survive for a period of five (5) years following the date of expiration or termination of this Agreement.

SECTION 9. GENERAL PROVISIONS.

9.1 Binding Nature of Agreement; Assignment. All the terms and provisions of this Agreement will be binding upon and will inure to the benefit of the parties and their respective successors, assigns, heirs and personal representatives. Contractor may not assign, delegate, or transfer to third parties its rights or obligations hereunder without the prior written consent of Company.

9.2 No Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of each party and their respective successors, assigns, heirs, and personal representatives and it is not the intention of the parties to confer third-party beneficiary rights upon any other individual or entity.

9.3 No Exclusive Agreement. This is not an exclusive agreement. Company is free to engage others, and Contractor is free to accept engagement by others, to provide services the same as or similar to the Services.

9.4 Governing Law; Venue. This Agreement will be governed by and will be construed, interpreted, and enforced in accordance with the laws of the State of Kansas, without reference to principles of conflicts of law. All disputes arising out of or relating to this Agreement, or the breach or default of this Agreement, will be determined solely by a state court of the State of Kansas or the United States District Court for the District of Kansas, and the parties consent to the jurisdiction of those courts.

9.5 Notices. All notices or other communications required or permitted under this Agreement will be in writing and will be

delivered by hand or overnight courier service, mailed by certified or registered mail, or sent by fax or email, using the recipient party's contact information included in this Agreement, and will be considered to have been given on the date of receipt. A party may change its contact information by notice to the other party.

9.6 Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. This Agreement may be amended, superseded, cancelled, renewed, or extended, and the terms hereof may be waived, only by a written instrument signed by Company and Contractor or, in the case of a waiver, by the party waiving compliance.

9.7 No Waiver. No failure or delay by any party in exercising any right, power, or privilege hereunder will operate as a waiver of any right, power, or privilege hereunder. No waiver of any default on any one occasion will constitute a waiver of any subsequent or other default.

9.8 Severability. The provisions of this Agreement will be considered severable, and the invalidity or unenforceability of any one or more of the provisions hereof will not affect the validity and enforceability of the other provisions hereof.

9.9 Remedies. Except as otherwise provided herein, the rights and remedies of the parties with respect to failure of a party to comply with the terms of this Agreement are not exclusive, the exercise thereof will not constitute an election of remedies, and the aggrieved party will in all events be entitled to seek whatever additional remedies may be available in law or in equity.

9.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be considered an original but all of which will constitute one and the same instrument.

9.11 Consent to Conduct Business Electronically. Either or both parties may use electronic records and electronic signatures for the execution and delivery of this Agreement and in connection with the matters contemplated by this Agreement.

9.12 Construction. The terms "include," "including," and similar terms will be construed as if followed by the phrase "without being limited to." The term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereto," "hereby," "hereunder," and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision or section of this Agreement. Unless otherwise expressly stated, the term "party" means a party hereto and "parties" means, collectively, all parties hereto. All references herein to sections and exhibits will be construed to refer to sections of, and exhibits to, this Agreement. The headings of this Agreement are for purposes of reference only and will not limit or otherwise affect the meaning hereof.

Exhibit A

PURCHASE ORDER _____
(attach additional pages if necessary)

Exhibit B

Required Insurance Limits and Coverages for Contractors

Before commencing work, the following categories of contractors must provide a Certificate of Insurance certifying that the insurance limits and coverages, with the appropriate endorsements, all as outlined below are in effect.

Commercial General Liability	Each Occurrence Must include coverage for blanket contractual liability for the obligations assumed under contract
Comprehensive Automobile Liability	\$1,000,000 Combined Single Limit Each Occurrence Coverage must extend to all owned, non-owned, leased, hired or borrowed vehicles and must include coverage for blanket contractual liability for the obligations assumed under contract
Workers' Compensation	Statutory Limits where Services are to be performed Must include coverage for Longshoremen's and Harbor Workers' Compensation, if applicable, and coverage for Federal Employers' Liability Act, if applicable
Employer's Liability	\$1,000,000 Each Occurrence \$1,000,000 Disease Per Employee
**An Umbrella liability policy, which follows form, may be used to obtain the aforementioned limits	
Professional Liability (if applicable)	\$1,000,000 Each Occurrence \$2,000,000 General Aggregate
Railroad Protective Liability (if applicable)	\$2,000,000 Each Occurrence \$6,000,000 General Aggregate

Certificate Holder and Endorsement Requirements

- Company shall be listed as Certificate Holder as follows: **Watco Companies, L.L.C., and its affiliates, subsidiaries and assigns, 315 W. 3rd St., Pittsburg, KS 66762.**
- All aforementioned policies shall contain a blanket waiver of subrogation in favor of Certificate Holder, and an additional insured endorsement naming Certificate Holder as Additional Insured (with the exception of Workers' Compensation and Employer's Liability). All aforementioned policies shall be primary and non-contributory with respect to any insurance carried by Company.
- If any policies are purchased on a "claims made" basis, Contractor hereby agrees to maintain coverage in force for a minimum of three years and shall provide evidence of such coverage to Company, on an annual basis, during this additional three year period.

Other Requirements

- All policies required shall be written by a reputable insurance company reasonably acceptable to Company or with a Best's Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which Contractor is performing for Company.
- Contractor shall notify Company in writing at least thirty (30) days prior to any cancellation, non-renewal, and substitution or material alteration to any of the aforementioned policies.
- Failure to provide evidence as required shall entitle, but not require, Company to terminate immediately. Acceptance of a certificate that does not comply with this document shall not operate as a waiver of Contractor's obligations hereunder.
- Contractor is not allowed to self-insure without the prior written consent of Company. If granted by Company, any deductible, self-insured retention or other similar financial responsibility for claims shall be covered directly by Contractor in lieu of insurance. Any and all Contractor liabilities that would otherwise, in accordance with the provisions of this document, be covered by Contractor's insurance will be covered as if Contractor elected not to include a deductible, self-insured retention or other financial responsibility for claims.

EXHIBIT D

Certificate of Liability Insurance Requirements - General Liability, Auto, Umbrella & Work Comp, Endorsements and Certificate Holder

		Policy Number	Effective/expiration dates	\$
				\$
				\$
				\$
		Policy Number	Effective/expiration dates	\$
				\$
				\$
		Policy Number	Effective/expiration dates	\$
				\$
				\$
Description of Operations:				
<i>Certificate holder is additional insured as respects General Liability, Automobile Liability and Excess Liability. All coverages provided to the additional insured are primary and noncontributory. A waiver of subrogation applies as respects all coverages provided to the additional insured and Workers' Compensation coverage</i>				
CERTIFICATE Holder			Cancellation	
Watco Companies LLC and it's affiliates, subsidiaries and/or assigns 315 W. 3 rd ST. Pittsburg, KS 66762			Should any of the above described policies be cancelled before the Expiration date thereof, notice will be delivered in accordance With the policy provisions.	
			Authorized Representative	

A sample endorsement statement would read as follows'

Certificate holder is additional insured as respects General Liability, Automobile Liability and Excess Liability. All coverages provided to the additional insured are primary and non-contributory. A waiver of subrogation applies as respects all coverages provided to the additional insured and Workers' Compensation coverage.

Certificate Holder must read:

Watco Companies, L.L. C. and its affiliates, subsidiaries and/or assigns
 315 W. 3rd Street
 Pittsburg, KS 66762