

## Subject: Contractor Safety

**Purpose and Scope:** To provide guidelines for assuring that contractors meet all OSHA and Carlton Forge Works, Inc. safety requirements.

**References:** Various OSHA and Corporate Regulations and Guidelines

**Responsibility:** It is the responsibility of the ES&H Manager to ensure that a written contractor safety program is prepared and implemented and to monitor the implementation to ensure that all contractors are following the required guidelines.

It is the responsibility of the person that hires the contractor to ensure that all certifications, employee training and review of contractor programs are completed and documented.

### Procedure:

The ES&H Manager shall prepare a written program that documents the requirements for contractors working at the site. These requirements include:

- |                         |                          |
|-------------------------|--------------------------|
| 1. Hazardous Materials  | 6. Motor Vehicles        |
| 2. Hazard Communication | 7. Scaffolds and Ladders |
| 3. Confined Space Entry | 8. Fire Prevention       |
| 4. Lockout/Tagout       | 9. Flammable Liquids     |
| 5. Waste Disposal       | 10. Hoisting Equipment   |

The individual that hires the contractor is responsible for reviewing the CFW Subcontractors requirements with the contractor's supervision and verifying that the contractor employees have all the required training. It is the responsibility of this individual to ensure all certifications, employee training and review of contractor programs are completed with written documentation maintained in the project file or other file for review by the ES&H Manager or other authorized individuals.

The ES&H Manager will periodically review selected project records to ensure the contractor safety documentation is complete.

<u>REVISION NUMBER</u>	<u>REVISION DATE</u>	<u>REASON FOR REVISION AND CHANGES MADE</u>
1	4/23/20	Initial Development of procedure for facility and Corp. requirements

## Table of Contents

Section	Description	Page
	<b>Revision Number</b>	<b>1</b>
<b>1.0</b>	<b>Policy</b>	<b>4</b>
	1.1 Commitment to Safety & Health	
	1.2 Protection of Employees, Property & Surrounding Environment	
<b>2.0</b>	<b>Purpose and Scope</b>	<b>4</b>
	2.1 Applies to Contractors & Sub-Contractors	
	2.2 Contractor Responsibility	
<b>3.0</b>	<b>Program Responsibility</b>	<b>4</b>
	3.1 Contractor Representative	
	3.2 Host	
	3.3 Purchasing Department	
	3.4 Plant Safety Department	
<b>4.0</b>	<b>General Information</b>	<b>6</b>
	4.1 Emergency Exits & Routes	
	4.2 Controlling Dust & Odors	
	4.3 Facility Damage	
	4.4 Housekeeping	
	4.5 Harassment	
	4.6 Inspections	
	4.7 Material Handling	
	4.8 Personal Protective Equipment	
	4.9 Prohibited Materials	
	4.10 Security	
	4.11 Smoking	
	4.12 COVID	
	4.13 Tools and Equipment	
	4.14 Trash & Construction Debris	
	4.15 Unattended Work	
	4.16 Vehicle Safety	
	4.17 Violations	
	4.18 Warning Signs & Barricades	
<b>5.0</b>	<b>Emergency Response</b>	<b>8</b>
	5.1 Accident/Incident Reporting and Investigations	
	5.2 First Aid/Medical Services	
	5.3 Procedures	
<b>6.0</b>	<b>Chemical Safety</b>	<b>10</b>
	6.1 Contractor Chemical Use Reporting	
	6.2 Chemical Storage	
	6.3 Chemical Usage	
	6.4 Hazardous Vapors & Gases	
	6.5 Management of On-Site Chemical	

	Waste/Hazardous Waste	
	6.6 Storm Drain Protection	
<b>7.0</b>	<b>Safety Procedures</b>	<b>11</b>
	7.1 Electrical Safety	
	7.2 Elevated Work	
	7.3 Ladders	
	7.4 Hazardous Energy Control for Equipment Maintenance	
	7.5 Manlifts and Powered Industrial Vehicles	
	7.6 Overhead Work	
	7.7 Pneumatic Nailers & Staplers	
	7.8 Roof Access	
	7.9 Roof & Floor Penetrations	
	7.10 Vehicle Safety	
	7.11 Asbestos Work	
<b>8.0</b>	<b>Work Requiring Permits</b>	<b>13</b>
	8.1 Confined Space Work	
	8.2 Hot Work/Open Flame/Welding	
	8.3 Electrical Power Impairment	
	8.4 Emergency Equipment Impairment Approval	
	8.5 Asbestos Abatement	
	8.6 Helicopter/mobile Crane Lifts	
	<b>APPENDICES</b>	
<b>A</b>	<b>Example Annual Review – Recommended</b>	<b>16</b>
<b>B</b>	<b>Contractor Hold Harmless Agreement and Safety Acknowledgement Form - Required</b> (copy of which must be signed, dated & on file with PM prior to starting work)	<b>17</b>
<b>C</b>	<b>Contractor's Non-Disclosure Agreement - Required</b> (copy of which must be signed, dated & on file with PM prior to starting work)	<b>19</b>
<b>D</b>	<b>Chemical Use Reporting Form - Required</b> (to be completed & submitted to the PM prior to starting work)	<b>21</b>
<b>E</b>	<b>Notice to Contractors Regarding OSHA Standard 1910.146 Permit Required Confined Spaces - Required</b>	<b>22</b>
<b>F</b>	<b>Purchase Order Terms &amp; Conditions</b>	<b>24</b>

---

### **POLICY**

- .1. **Carlton Forge Works (CFW)** is committed to providing a safe and healthful work environment in full compliance with company, local, state and federal requirements. Contractors operating on CFW facilities are required to perform contractually required tasks and activities in compliance with these same requirements.
- .2. Protection of company employees, property and surrounding environment is of utmost importance. Likewise it is the company's policy to expect the same level of safety concern for contractor employees and property while operating at company facilities. We actively solicit the support and cooperation of all contractors in aiding us to establish SAFE working conditions.

### **PURPOSE AND SCOPE**

1. This program applies to all contractors and sub-contractors performing work at Carlton Forge Works Company including, but not limited to construction, demolition, maintenance and facility services such as:
  - FURNACE MASONRY, ELECTRONICS AND REPAIR
  - HEATING, VENTILATING AND AIR CONDITIONING (HVAC)
  - PLUMBING AND PIPE FITTING
  - DRYWALL, MASONRY AND CONCRETE WORK
  - JANITORIAL AND DECONTAMINATION WORK
  - ELECTRICAL WORK
  - CARPENTRY
  - PLANT MAINTENANCE, MACHINING AND REPAIR WORK
  - PAINTING
  - NETWORK INSTALLERS AND OTHER MIS SERVICES
  - DEMOLITION AND ABATEMENT SERVICES
  - LANDSCAPING AND GROUNDS SERVICES
  - RIGGERS, MOVERS AND TRANSPORT SERVICES
2. This program establishes the environmental, health and safety performance criteria for contractors working on Carlton Forge Works premises. Contractors are not only responsible for the safety of their own employees but must also take precautions to protect the personnel, property and operation of the Carlton Forge Works Company.
3. The Contractor shall comply in every aspect with the William-Stieger Occupational Safety and Health Act of 1970 and all rules and regulations now and hereafter in effect under said Act. The Contractor further agrees to comply with any and all applicable State Laws and Regulations pertaining to job safety and health and to the Carlton Forge Works Company Contractors Safety Regulations, listed in this document.
4. The Carlton Forge Works Project Manager will arrange an opening conference with the selected Contractor/Contractors for a discussion of contract safety requirements. Upon completion of said conference, the Carlton Forge Works Project Manager and the Contractor shall both sign off on the Safety Acknowledgement Form (Appendix B). This form is the means to ensure that the parties have discussed in detail all Safety and Health Regulations that pertain to the contracted work.
5. The Contractor shall, in so far as practical, supply to Carlton Forge Works Project Manager one week prior to the opening conference, complete Safety Data Sheets (SDS) for all toxic and hazardous substances which are to be brought on site and used in the work and to which Carlton Forge Works employees may be exposed, and shall otherwise cooperate fully with Carlton Forge Works in performing its obligation under the OSHA Hazard Communication Standard 29CFR 1919.1200.

SDS for materials determined necessary and/or brought to the site after the start of work shall be sent to the Carlton Forge Works Project Manager for submittal and review by the EHS Manager (ext. 2235). (Said materials will not be used until approved.)

6. Carlton Forge Works will enforce these regulations and its safety rules and regulations. OSHA standards will be enforced where violation of such standards could affect the safety and health of Carlton Forge Works employees. In imminent danger situations, the Carlton Forge Works EH&S Manager or Project Manager has the authority to shut down the Contractor's operations until the problems are corrected. Failure to correct or resolve the problems may result in termination of the contract. A Contractor's employees could be banned from ever working in a Carlton Forge Works facility if said employee specifically ignored a safety rule or regulation.
7. Where interfacing between the Contractor and the Carlton Forge Works departments is required, that interfacing is the responsibility of the Carlton Forge Works designated Project Manager.

### **PROGRAM RESPONSIBILITY**

1. The **Contractor Representative**, (on-site manager, lead) is responsible for the safety of their employees and their subcontractors, for the safety of Carlton Forge Works personnel and for the property and operations affected by their work. The contractor representative is responsible for distributing copies of Carlton Forge Works Contractor Safety Program to all contractors/subcontractors who may work on Carlton Forge Works premises. They must ensure that all contractor employees are familiar with its contents and requirements for working safely at Carlton Forge Works. Contractor responsibilities include:
  - Understand and follow the Visitor Management Policy (P-854-22) for ITAR and Export Compliance.
  - Taking precautions necessary to ensure Carlton Forge Works employees and property are protected;
  - Following all regulations, codes and other legal obligations regarding the performance of work;
  - Ensuring all contractors and sub-contractors are intimately familiar with the Carlton Forge Works evacuation procedure including emergency exit locations, alarm signals, evacuation routes, assembly points and reporting procedures;
  - Immediately notifying the Carlton Forge Works Project Manager and briefing any affected employees on any unique or unexpected hazards encountered;
  - Providing written documentation of employee training and appropriate insurance coverage prior to the start of the project;
  - Providing all personal protective equipment (PPE) and other necessary equipment to all employees working in areas/operations requiring PPE, (unless otherwise arranged and agreed upon in writing);
  - Providing all equipment and supplies necessary to perform the contracted work with written documentation submitted ahead of time explaining any deviations to this requirement;
  - Supplying copies of all material safety data (SDS) sheets for all chemicals to the Project Manager for approval prior to bringing them on-site;
  - Immediately reporting any hazards or incidents to the Carlton Forge Works Project Manager and Safety Department; and,
  - Removing and properly disposing of all unused chemicals and empty chemical containers brought on-site.

The **Contractor** agrees to sign the Contractor Safety Review Form which provides indemnity and holds Carlton Forge Works harmless (Appendix B) from all losses, damages, costs, penalties and attorney's fees resulting from violation by Contractor, or its employees of the Williams-Steiger Occupational Safety Act of 1970 or any other rule or regulation promulgated there under or of any state law or regulation regarding worker health and safety. Carlton Forge Works may at any time take whatever action it deems necessary to remedy or mitigate any such violation at Contractor's expense in the absence of prompt corrective action by

Contractor.

2. The **Carlton Forge Works Host** (Carlton employee inviting a contractor on site) is responsible for coordinating contractor work. Their responsibilities include:
  - Distributing copies of the Carlton Forge Works Contractor Safety Program to the contractor representative, ensuring they are properly trained on Carlton Forge Works policies and procedures, and that they comply with them;
  - Ensures that all contractors and their employees understand and comply with the Visitor Management Procedure (P-854-22).
  - Coordinating and conducting the pre-job briefing;
  - Performing periodic inspections of areas and operations where contractors are working and ensuring all deficiencies are addressed immediately;
  - Verifying receipt of and reviewing the SDS sheets for products to be used by the contractor, (Project Manager should use Carlton Forge Works Materials Approval Procedure and seek the advice of the environmental and/or safety department for unfamiliar chemicals);
  - Collecting and providing specific information to contractors and subcontractors such as chemicals used at Carlton Forge Works, hazards in the work area, and emergency procedures.
  - Reviewing specific operations prior to and during the operation to be sure appropriate guards and safety procedures are in place to protect all employees;
  - Notify environmental, safety and security in the event of an unusual occurrence or situation that requires employee notification, (work that generates odors, blocks evacuation and/or assembly points, tasks that will restrict utility use or alter the alarm system, and tasks that require the shutdown of sprinklers);
  - Verifying that contractor and subcontractor employees have the appropriate training necessary for the task(s) performed at Carlton Forge Works, (i.e. LO/TO, fall protection; confined space entry, etc.);
  - Conducting accident and incident investigations as appropriate;
  - Coordinating the disposal of all waste generated with the EHS Manager.
3. The **Carlton Forge Works Purchasing Department** is responsible for ensuring that all contracts with contractors has this procedure as part of the contracting document and that all vendors read and understand this procedure as a precursor to performing work.
4. The **Carlton Forge Works Plant Safety Department** provides support to the Project Managers and contractors, where needed or requested, on safety-related concerns or issues. Plant safety is responsible for:
  - Implementing the Contractor Safety Program;
  - Updating and distributing copies of the Contractor Safety Program;
  - Maintaining a database of Signed Contractor Safety forms – Appendix B, Certificate or Insurance and Non-Disclosure Agreements.
  - Reviewing copies of material safety data sheets (SDSs), as necessary, for chemicals brought on-site;
  - Reviewing copies of the contractor's written safety program as needed and/or at the request of the Project Manager if issues arise. Specific questions may also arise associated with LO/TO, confined space entry, fall protection, or welding, etc., that the Safety Department is best qualified to address; and
  - Participating in accident investigations, as necessary.
  - Note: Unless agreed and signed to prior to the job by the Carlton Forge Works Project Manager and Safety Department, Carlton Forge Works does not issue any permits for contractor or subcontractor work related to confined space entry, confined space rescue support or LO/TO. It is the responsibility of the contractor/sub-contractor to secure properly trained and knowledgeable personnel to identify hazards and complete the appropriate permits including attendants and equipment where needed. Carlton Forge Works will provide knowledgeable personnel to share with contractors/sub-contractors all known hazards and describe safeguards and procedures in place to protect workers.

---

### **GENERAL INFORMATION**

#### **1. Emergency Exits and Routes**

Contractor's activities must not block any emergency exits or exit routes, unless approved by the Carlton Forge Works Project Manager and Carlton Forge Works Safety. Maps are posted throughout the building showing emergency exits and exit routes. Contractor employees should familiarize themselves with the exit routes from their job sites.

#### **2. Controlling Dusts and Odors**

Contractors must notify the Carlton Forge Works Project Manager (CFWPM) of activities that may produce dusts or odors (e.g. demolition, roofing, and painting) and/or will require the use of respirators, at least 24 hours prior to the beginning of work. The Project Manager and/or contractor may need to notify Carlton Forge Works personnel in the area via postings, e-mail or other communication means before the work begins. Roof work being done near ventilation intakes may fill the entire building with dust or odors unless precautions are taken and appropriate personnel are notified. Extremely odorous tasks should be completed after hours if possible. Exhaust ventilation must be provided by the contractor for indoor work.

#### **3. Facility Damage**

Any damage to Carlton Forge Works property by a contractor or their representative is the responsibility of that contractor.

#### **4. Housekeeping**

Contractor materials and equipment must be stored so they will not endanger employees at any time. They must not block doors, electric panels, emergency equipment, exits or stairs. They must not be stored in aisles, stairwells, traffic lanes or sidewalks. Overhead storage of equipment, tools, etc., is prohibited. Contractor work areas must be cleaned daily, including removal of combustibles and waste materials.

#### **5. Harassment**

Any kind of harassment, sexual or otherwise, is prohibited. A Contractor's employees could be banned from ever working in a Carlton Forge Works facility if said employee violates the Workplace Violence Prevention Plan.

#### **6. Inspections**

Contractors and Project Managers should conduct a walk-through of the work area prior to the start of work to identify potential hazards. The Project Managers will notify contractors of any known Carlton Forge Works hazards such as chemicals or hazardous energy sources. They will also inform the contractor of evacuation routes, assembly area locations and emergency phone numbers. The Project Manager will conduct periodic inspections of work areas where contractors are working. The purpose of these inspections is to identify any hazards or unsafe work practices and correct them as soon as possible. The Carlton Forge Works Project Manager and/or Safety Department have the right to temporarily suspend a contractor's work until these hazards are adequately controlled or eliminated.

#### **7. Material Handling**

Contractors are not permitted to lift more than 50 pounds without assistance, assuming no awkward positions are used. When possible and appropriate, use dollies and hand trucks or other lift/move devices.



## 8. Personal Protective Equipment

The Contractor is responsible for selecting and furnishing all personal protective equipment necessary for the safe completion of the contract and as necessary to comply with Carlton Forge Works Contractor Safety Regulations. As a minimum, industrial safety glasses with side shields and steel toe safety shoes (safety shoes with metatarsal guards are preferred) are required in all Carlton Forge Works facilities. Several areas require additional PPE including hearing protection, hard hats, respirators and/or other equipment. PPE requirements will be discussed during the opening conference. The Contractor is responsible for assuring the required training of his personnel. If the Contractor's work will require their employees to enter functioning production areas, the Contractor must identify risks encountered, stop work and contact the Project Manager to evaluate. Sneakers, sandals, open-toes, sleeveless shirts, short pants and high heels are prohibited in all production areas.

## 9. Prohibited Materials

Possession, use or sale of weapons, alcoholic beverages and illegal drugs is strictly prohibited at Carlton Forge Works.

## 10. Security

Contractors are to abide by the request of Security, and/or the Safety Department and/or the Project Manager.

### 10.1. Identification Badges

### 10.2. Site and Building Access

Contractor access to buildings is limited to the contractor's job site. Entrance to other areas is prohibited. Emergency exits should be used only in the event of an emergency. Doors are not to be propped open without prior approval of the Project Manager and Safety Department. The contractor is responsible for notifying the Project Manager when controlled access to the site, a building or an area is compromised due to contractor activity. Notify the Project Manager in advance if off-hours access to Carlton Forge Works facilities is required.

## 11. Smoking

Smoking is prohibited inside all buildings and other enclosures at the Carlton Forge Works facilities. Open flames are strictly prohibited in confined spaces and in areas where flammable liquids, gases, or highly combustible materials are stored, handled or processed.

## 12. COVID-19

Contractors shall adhere to Carlton Forge Works COVID policy as well as OSHA.

- Stay home if sick
- Face covering for unvaccinated contractors working indoors
- N95 respirators will be provided to contractors of no cost upon request
- Practice good hygiene
- Provide documentation that all contractors will adhere to Cal-OSHA ETS released on June 18<sup>th</sup>, 2021

## Use of Carlton Forge Works Materials, Equipment and Tools

Contractors shall furnish all personnel, materials, equipment or tools necessary to complete the scope of work. Where use of Carlton Forge Works materials, equipment or tools is judged to be in the best interest of



the company, the Contractor shall be responsible for certifying prior to start of work, that their personnel are trained in the use of items and are aware of inherent hazards. Verbal approval to proceed resides with the Carlton Forge Works Project Manager, Maintenance Supervisor, Plant Engineering Department or the Safety Department. The Contractor is responsible for returning tools/equipment in the same working condition as borrowed. The Carlton Forge Works Project Manager should be immediately notified if there is a problem with Carlton Forge Works tools and equipment.

The Contractor is responsible to remove all their equipment and tools upon completion of the contracted work.

#### **Chains, Cables and Ropes**

Chains, cables and ropes will be furnished by the Contractor of the proper size and in good repair. Carlton Forge Works personnel will not operate any device or equipment to which Contractor's items are attached unless they are working with the Contractor. Where use of Carlton Forge Works devices or equipment is judged to be in the best interest of the company, it will be operated by Carlton Forge Works personnel using Carlton Forge Works materials or by Contractor personnel with the approval of the Carlton Forge Works Project Manager.

#### **Demolition**

Jersey type barricades will be placed at a substantial distance around all areas of demolition where personnel are located below. Danger type warning signs and safe access and egress enclosures will be provided for personnel around demolition work. This applies to sparks falling from weld operations. A warning device should be provided on all equipment where there is danger to workers, in moving the equipment or from swinging load, buckets or booms.

#### **Trash and Construction Debris**

Contractors may not use Carlton Forge Works trash/recycle containers for their construction debris unless it is judged to be in the best interest of the company and authorized by the Project Manager. Carlton Forge Works segregates solid waste streams for disposal and therefore needs to be careful with waste disposal. Contractors must remove all trash and debris from the site. Contractors may not wash cement, plaster, paint or related building materials into drains or onto the ground without permission. Never pour or wash anything down the storm drains.

#### **Unattended work**

Contractors may not leave the job site unattended when potentially hazardous conditions exist.

#### **On-Site Vehicles**

The only vehicles permitted on site will be those with specific permission of the Carlton Forge Works Safety Department and the Project Manager. Job access shall be reviewed prior to bidding for work. If a vehicle is used on-site, do not block fire lanes, exits, fire hydrants or emergency equipment. Failure to follow these rules may result in the vehicle being towed at the vehicle owner's expense. Loading docks may be used for loading and unloading but must be cleared after use. All contractor vehicles must be properly secured with wheel chocks and brakes during loading and unloading, parking and storage. Contractors must follow all parking restrictions and speed limits. Contractors are encouraged to report speeding and reckless vehicle operation to the Project Manager and/or Security. Be prepared to provide a license plate number and vehicle description. The contractor is required to submit to a search of their vehicle at the request of the Project Manager, Safety Department, Management or Security Representative.

#### **Violations**

Carlton Forge Works reserves the right to investigate and respond as necessary to violations of the Personal Protective Equipment Program. In the case of minor infractions, a verbal warning will be issued for first offenses of the Carlton Forge Works Contractor Safety Program. Repeat violations will result in a written warning and possible dismissal from the site depending on the severity of the violation. In the case of a severe violation, contractor work will be immediately suspended and the contractor will be removed from the site.

#### **Warning Signs and Barricades**

Contractors must provide adequate warning signs and barricades for their work. If these are not adequate, a flag person should be used. With advance notice, Carlton Forge Works may be able to barricade an area needed for contractor activities.

#### **Video Surveillance System**

The facility is monitored by a Video Surveillance System.

### **EMERGENCY RESPONSE**

#### **1. Accident/Incident Reporting and Investigation**

Contractors are required to immediately notify the Project Manager and Safety Department of all incidents occurring on Carlton Forge Works property. The types of events that should be reported include injuries requiring more than minor first aid, property damage, vehicle accidents and criminal or suspected criminal activity. Contractors must complete an Accident Injury Report and forward it to their Project Manager. The Project Manager will sign it and forward it to the Safety Department. The Project Manager, with assistance from Safety (if requested), will investigate all incidents using the appropriate Carlton Forge Works Accident/Incident Investigation process.

#### **First Aid/Medical Services**

Contractors must provide their own first aid equipment, supplies and training for their employees. Contractor personnel should be familiar with their company's medical service provider (i.e., clinic or hospital). The safety office should be contacted using the Emergency Line (2235) in the event that emergency services are needed. Carlton Forge Works has a specific procedure and specially trained personnel to handle and dispose of blood or Other Potentially Infectious Materials, (OPIM). The Contractor and Project Manager should discuss this procedure prior to job commencement to ensure the proper regulations are followed and all personnel are adequately protected.

#### **3. Procedures**

##### **3.1. Chemical Incidents (Spills/Releases)**

Report all chemical incidents to the Project Manager and Safety Department immediately. Incidents include chemical spills or reactions, release of hazardous materials or hazardous wastes to the air, soil, water, storm drain, etc., or injury from chemical use or waste handling. The contractor shall be responsible for all costs and penalties resulting from contractor-caused chemical releases. The contractor is responsible for investigating any release of hazardous substances in which its employee was involved.

Personnel splashed with a chemical should immediately wash it off or perform first aid as specified in the appropriate Safety Data Sheet. Splashes in the eye are particularly critical. Eyes must be

flushed immediately for 15 minutes, after which medical attention should be obtained. Carlton Forge Works has eyewash stations located throughout the facility.

### **3.2. Evacuation**

During an evacuation, contractors should leave the area or building through the nearest exit if it is safe to do so. Follow Carlton Forge Works employees to the assembly area and check in with the Project Manager. Do not leave until released by the Emergency Coordinator. If an individual is missing, and there is reason to believe that the individual is still in the building, the Carlton Forge Works Emergency Coordinator should be notified immediately so that responding emergency personnel can plan their response. See Appendix G or H for Evacuation Plans specific to Carlton Forge Works Pearland Operations.

### **3.3. Fire**

If a contractor employee has received adequate fire extinguisher training and feels comfortable operating the fire extinguisher, the contractor employee may use a portable fire extinguisher to fight small (incipient stage) fires. Carlton Forge Works personnel are trained in fire extinguisher use for incipient fires only. Anyone encountering a fire must determine if the small fire can be easily extinguished before trying to do so. If extinguishment does not occur, immediately evacuate the area and call the safety office (2235) or use one of the pull stations to sound the fire alarm. The Project Manager and Safety Department must be notified in the event of any fire, no matter how small. Any discharged fire extinguishers must be replaced with fully charged ones and arrangements must be made to fill the discharged units.

### **3.4. Power Outage**

During a power outage, follow Carlton Forge Works employees to the assembly area and check in with the Project Manager. Do not leave until released by the Emergency Coordinator.

### **3.5. Reporting Emergencies**

All accidents or incidents requiring a fire truck, paramedic or ambulance response, life threatening emergencies, and any environmental releases, (e.g., chemical spills or releases to air, water, sewers or soil) should be reported immediately to the safety office (2235). When reporting an emergency, give the following information;

- Your name and extension;
- Nature of emergency;
- Location of emergency;
- Name and age of the victim(s);
- Extent of injuries of victim(s); and
- If any first aid has been given.

Do not hang up the phone until you have provided all the necessary information. Assign someone to meet the emergency response personnel and direct them to the scene.

## **CHEMICAL SAFETY**

### **1. Contractor Chemical Use Reporting**

Prior to the start of work, contractors must inform their Project Manager of all chemicals they will need on site. All chemicals must be pre-approved by the Project Manager and, if required, the Safety Department through

the use of the Chemical Use Reporting Form, (Appendix D). Safety Data Sheets for each chemical must be provided to the PM as well. SDSs and the Chemical Use Reporting Form must be accessible to Carlton Forge Works and contractor employees during the job.

## 2. Chemical Storage

Unless otherwise specified by the Project Manager, contractors may not store chemicals at Carlton Forge Works. Contractors must seal and remove all chemicals from each job location at the end of each day. Contractors shall restrict the quantities of chemicals that they bring on site to that which is required to complete the day's planned work. Special arrangements may be agreed upon ahead of time for long-duration projects.

Contractors shall store their daily chemicals and compressed gas cylinders as follows:

- Chemicals shall be located within a clean, dry and well ventilated area away from direct sunlight and heat;
- Compressed gas cylinders shall be secured (roped or chained) in an upright position. Valve protection caps shall be in place when compressed gas cylinders are not in use. Cylinder valves shall be closed and caps in place when cylinders are empty or are moved;
- Compressed gas cylinders shall not be rolled;
- Oxidizers and gas cylinders shall be stored separately per OSHA regulations;
- Flammable substances shall be stored in approved flammable storage containers or cabinets and shall not be placed near any potential source of ignition (sparks, flames, etc.); and
- Incompatible materials shall be separated and kept in securely closed containers that will not spill or leak.

Assistance in arranging appropriate storage locations will be provided by the Project Manager and Safety Department.

## 3. Chemical Usage

Contractors are required to know how to safely use the chemicals with which they work. They are responsible for the Hazard Communication training of their employees, including SDS interpretation and container labeling. All contractors must have received Hazard Communication training before working with chemicals at Carlton Forge Works. The Safety Department keeps SDSs for chemicals used by Carlton Forge Works; these are available to contractors upon request.

## 4. Hazardous Vapors and Gases

Hazardous vapors and gases must be controlled to avoid hazards to workers. Adequate ventilation and monitoring must be provided.

## 5. Management of On-Site Chemical Waste/Hazardous Waste

Contractors must comply with all Carlton Forge Works and applicable Federal, State and Local regulatory requirements in managing their chemical wastes. Wastes must be handled, packaged, identified, labeled and stored correctly. No chemical or chemical waste shall be disposed of on Carlton Forge Works property.

Drains, sewers, sinks, rest rooms, trenches, trash containers and the ground may not be used for the disposal of chemicals or chemically contaminated wastes.

## 6. Storm Drain Protection

Contractors are to ensure that chemicals are handled in such a way as to prevent the release of any chemicals to the environment, including the air, soil, storm drains and/or sewer system. In the case of an accidental release, report it to security immediately (security will contact the plant's emergency coordinator).

### **SAFETY PROCEDURES**

#### **1. Electrical Safety and Hazardous Energy Control (Lockout/Tagout)**

Before any work commences around any electrical source such as buss bars or lines, the Carlton Forge Works Electrical Supervisor will be contacted. He shall dispatch an electrician and along with a Contractor employee/employees, follow the proper Lockout Tagout procedure for the equipment to be worked on. All employees involved with the contracted work shall place their Lockout Tagout locks on the control device and verify de-energization of the equipment. Upon completion of their work, the above employees will remove their locks.

Contractors performing servicing, cleaning, modification, demolition, repair, maintenance or other activities on equipment must follow appropriate hazardous energy control procedures in accordance with the OSHA LO/TO Regulation, 29 CFR 1910.147. Forms of hazardous energy may include: mechanical, pressure (hydraulic, gas), chemical, thermal, radiation, stored or other energy forms. Contractors must follow equipment-specific hazardous energy control procedures when working on equipment. In some cases, the contractor will need to prepare and follow their own procedures. In other cases Carlton Forge Works procedures will need to be adhered to. The Project Manager will review and approve the chosen procedure before the contractor begins. Only contractors "authorized" by the Project Manager to perform hazardous energy control (lockout/tagout) work may do so at Carlton Forge Works. Authorized persons must have training on identifying hazardous energy sources, methods of de-energizing equipment and verification of energy-state. They must also be familiar with the written equipment-specific procedures. Notification must be given to nearby "affected" employees before work begins.

Equipment-specific procedures must include the following information:

- Identification of all possible sources of live and stored energy;
- Specific procedures to de-energize each energy source;
- Equipment (locks with tags and boots, hasps or other devices), needed to secure the energy sources in a de-energized state and how / where to apply them.
- Procedures to verify that all energy sources have been secured and totally de-energized;
- Procedures for testing the isolation of the energy sources; and
- Procedures for re-energizing equipment after work has been completed.

A lock must be attached to each lockout device identified in the procedure. The lock key must be kept by the person performing the work. Only this person is authorized to remove this lock. The contractor must have a procedure in place that explains how locks will be removed if one is accidentally left on a control device. Where more than one person is working on the isolated equipment, each must place their own lock on the device and retain his/her own key. On larger projects with multiple lockouts and workers, a lock box and procedure may be used.

All contract employees working on or near live electrical circuits or exposed voltages must be qualified and authorized by their management in accordance with all applicable electrical safety regulations. Contractor employees working with low voltages, (<600 volts), must have demonstrated familiarity with the operation and hazards involved through experience or instruction ("qualified person"). Those working with high voltages, (>600 volts), must have a minimum of two years of training and experience with high voltage circuits and equipment ("qualified electrical worker"). Lockout procedures must always be used whenever possible to minimize potential contact with live electrical circuits. When energized electrical work is required such as equipment testing or troubleshooting, the work must only be performed by employees who have received

specific training and experience in working on live circuits and systems.

Extension cords shall be the three-wire type for grounded tools and shall be protected from damage. If the ground pin is broken, the cord shall be immediately discarded or repaired. Cords will not be fastened with staples, extended across aisles or walkways, run through doorways or daisy chained together. Worn, frayed or spliced cords shall not be used. Extension cords shall never be used as permanent wiring.

## **2. Electrical Powered Hand Tools**

All portable electrical equipment must be equipped with a valid ground system or must be double insulated. This applies to extension cords used with electrical powered hand tools. Ground fault circuit interrupter, (GFCI) devices shall be used when work is conducted in close vicinity of water, liquid or damp environments.

## **3. Elevated Work**

When contractor employees work within 6 feet of the perimeter of any structure, shaftway, skylight, smoke hatch or other opening where guardrails are not present, fall protection equipment must be used. This equipment will include appropriately rated body harness and lanyards attached to proper anchoring points or some other adequate engineering control. Full body harnesses are required on Carlton Forge Works property. Any use of a waist belt in lieu of a full body harness is prohibited. Fall protection is required when working greater than 3 feet off the floor or greater than 10 feet off the floor on scaffolding. Contractors must also use a securing method when using elevated platforms (i.e. man lifts).

## **4. Ladders**

Whenever possible, fixed ladders or stairs shall be used for safe access to elevated locations. In situations that require the use of portable ladders, the contractor shall provide their own ladders appropriate to the tasks involved.

- 4.1. **Metal ladders are not allowed in any Carlton Forge Works facility.**
- 4.2. Job constructed ladders in questionable repair will not be permitted.
- 4.3. All ladder bases must be set on a solid base with the top secured.
- 4.4. Follow the simple rule for setting up a ladder at the proper angle by placing the base a distance from the vertical wall equal to one-fourth the working length of the ladder.
- 4.5. All ladders will have shoes in good repair.
- 4.6. Ladders placed in aisles will be barricaded or the area roped off.
- 4.7. All ladders will be removed upon completion of contracted work.

Ladders shall not be stored in passageways, doors, driveways, or any similar location unless protected by barricades or guards. Portable ladders in use shall be tied, blocked, or otherwise secured to prevent them from being moved. Portable ladders must be visibly inspected prior to each use and used in compliance with manufacturers' guidelines. Access ladders to buildings, cranes, equipment and structured parts of buildings will be unobstructed three feet directly in front of the ladder.

## **5. Manlifts and Powered-Industrial Vehicles**

If man-lifts or powered industrial vehicles are required, they shall be provided by the contractor and used only by contractor employees who have been properly trained in their operation. Contractors may not use Carlton Forge Works man-lifts or powered industrial vehicles unless given special permission by the Project Manager and Safety Department.

It is the policy of Carlton Forge Works that all occupants of any man-lift wear a full body harness attached to an appropriate anchor point within the platform.



All industrial vehicles must be equipped with a full functioning warning device that is audible above the normal industrial noise in the work place.

### **6. Overhead Work**

Work over the heads of unprotected personnel is prohibited. Work in such locations shall be performed only after employees have been cleared from the area and proper barricades have been erected.

### **7. Pneumatic Nailers and Staplers**

All pneumatically driven nailers and staplers, which operate at more than 100 psi pressure, shall have a safety device on the muzzle to prevent the tool from operating unless the muzzle is in contact with the surface. When not in use, or unattended, all pneumatically driven nailers and staplers shall be disconnected from the air supply at the tool. Contractors will arrange barricades and signs to protect employees from pneumatic nails and staples. Proper personal protective equipment shall be worn.

### **8. Roof Access**

The Project Manager and Safety Department must be notified when contractors require roof access. The use of fall protection equipment is required when working or traveling within 6 feet of an opening in the roof or the roof's edge. If a contractor sends a lone worker on the roof, they must provide their own working cell phone to be able to contact the safety office in case of an emergency and the Project Manager for any other business that is needed. All materials left on a roof will be secured firmly to prevent its falling or being blown to the ground.

### **9. Roof and Floor Penetrations**

Contractors shall install guards, signs and barricades at floor and roof openings to prevent accidental falls. Floor openings will be completely surrounded with substantial barricades, Jersey type where practical, placed at least five feet from the opening.

### **10. Scaffolds**

Construction will conform to OSHA requirements.

### **11. Asbestos Work**

Asbestos is a carcinogen that is used in over 2000 commercial products, especially building materials. Work conducted on asbestos-containing materials, (ACM), including abatement of ACM from buildings or maintenance activities, is regulated and will only be performed by licensed personnel qualified to perform these tasks.

Asbestos containing materials are regulated as hazardous materials that require special handling methods. Only Carlton Forge Works approved asbestos contractors who have undergone specific training on protecting themselves and the general public from exposure, may work with asbestos containing materials. Such contractors must provide documentation to the Project Manager that they are duly licensed to work with asbestos prior to any work being performed. Sampling, drilling, cutting, scraping, sanding, grinding, or otherwise damaging floor tile, concrete, pipe insulation, ceiling tile, fireproofing or other materials suspected of containing asbestos may cause exposure to asbestos fibers and is strictly prohibited for unauthorized personnel.

The Contractor and Carlton Forge Works Project Manager must review, complete and sign-off on the



Asbestos Operations and Maintenance Program – Notification of Asbestos-Containing Materials (ASB-1) (Appendix F), before work begins.

### **WORK REQUIRING PERMITS**

Special controls may be required during contractor work to prevent injuries to people, damage to the environment or loss of production. Contractors must post copies of approved permits in the immediate work area for the duration of the work. Carlton Forge Works personnel do not issue confined space permits, confined space rescue support, hot work permits or LO/TO equipment to contractors. It is the responsibility of the contractor to secure the appropriately trained personnel to issue work permits.

#### **1. Confined Space Work**

A confined space is a space that is large enough and so configured that a person can bodily enter and perform a task, has limited means of entry and egress, and is not intended for continuous human occupancy. Examples of confined spaces include tanks, pipe tunnels, pits, vaults, sewers, bag-houses, ventilation duct-work, man-holes and boilers. An OSHA Permit Required Confined Space (PRCS) is a confined space that has one or more of the following characteristics: has the potential to contain a hazardous atmosphere, contains a material that has the potential for engulfing an entrant, contains any other recognized serious safety or health hazard or has an internal configuration where the entrant could be trapped and asphyxiated.

Contractors shall comply with all applicable parts of OSHA's Confined Space Standard, 29 CFR 1910.146 (General Industry) and 1926.146 (Construction). The Contractor is responsible for providing all necessary equipment, testing devices, trained personnel, rescue arrangements and permitting to safely conduct the work. The contractor must submit to the Project Manager, prior to performing any confined space work, the following: a copy of their company Confined Space Program; a list and copy of certificates of trained personnel including Entry Supervisors, Attendants, and Entrants; the identity of those responsible for writing the permits, and a copy of their confined space rescue pre-plan and rescue team if needed.

Appendix E contains the Carlton Forge Works Company Notice to Contractors regarding OSHA Standard 1910.146 Permit Required Confined Spaces. This document further describes the details of how confined space work will be carried out at Carlton Forge Works facilities by contractors.

#### **2. Hot Work/Open Flame/Welding/Cutting Operations**

Hot work includes: brazing, heated tar pots, torching, soldering, welding, portable space heaters and open flames. Hot work will be permitted in all areas of the plant only after the area is properly prepared and a Hot Work Permit is obtained from the Project Manager. The contractor requesting the work will review the scope and area with the Project Manager prior to requesting the welding permit. The Contractor must provide the proper equipment and personnel, including protective drop cloths and fire extinguishers. Depending on the job, the contractor may need to provide a trained fire watch. The appropriate type of fire extinguisher should be instantly available for all jobs involving hot work. The fire watch is responsible for: ensuring that all adjacent combustible materials are protected or removed; taking appropriate action to prevent fire; extinguishing incipient fires; and summoning emergency assistance when needed. After hot work is completed, the contractor must inspect the area and remain in the area until it is determined that no smoldering or previously unnoticed fires exist, or for 30 minutes, whichever is longer. A copy of the terminated Hot Work Permit must be submitted to the Project Manager for insurance records. All oxygen and acetylene tanks will be secured to racks. The contractor must provide and use non-combustible or flameproof shields or screens to protect employees from welding flash or arc. A review of the area must be accomplished at the end of each working day and the area left in safe condition.

#### **3. Electrical Power Impairment**

---

Work that may affect the delivery of electrical power, emergency generators or battery back-up power should be scheduled to occur during off-hours when possible. Otherwise, adequate notification shall be made to the Project Manager.

4. Emergency Equipment Impairment Approval

Emergency equipment, including fire extinguishers, first aid equipment, smoke detectors, alarm horns, emergency lighting, emergency eye wash/showers, etc. are not to be moved, relocated or otherwise rendered inaccessible or inoperable without prior approval by the Project Manager, Safety and the Plant Manager.

5. Asbestos Abatement

Work conducted on asbestos containing materials (ACM) including abatement, is regulated. The contractor is responsible for securing the appropriate agency notifications, specially trained and certified asbestos abatement professionals, and ensuring proper compliance with all applicable regulations. The Contractor and Carlton Forge Works Project Manager must review, complete and sign-off on the Asbestos Operations and Maintenance Program – Notification of Asbestos-Containing Materials (ASB-1) (Appendix F), before work begins.

6. Helicopter/Mobile Crane Lifts

Mobile cranes (including portable crane derricks), power shovels, helicopters and other heavy lifting equipment shall not be operated within ten feet of overhead electrical power lines and shall never be operated above any occupied building or area

Helicopter lifts are restricted to off-hours and weekends and require notification to the Project Manager ten working days in advance. The Plant Manager will then notify Plant Management, Safety, Supervision and Production as necessary.

## APPENDIX A

### Carlton Forge Works Contractor Safety Annual Review Example Covered in Gensuite PV

Reviewed By: \_\_\_\_\_ Date Reviewed: \_\_\_\_\_ Facility: \_\_\_\_\_

Review Item	Yes/No?	Corrective Action	Assigned To/ Date To Complete By	Item Complete (initials/date)
1. Is someone assigned as Lead or Supervisor of the task? Are they actively pursuing their duties?				
2. Has the program been kept up-to-date with OSHA and Carlton Forge Works regulations?				
3. Are the Carlton Forge Works project managers distributing copies of this program and ensuring contractors are properly trained?				
4. Is the Purchasing Dept. ensuring that each contractor is signing the Hold Harmless Agreement and Safety Acknowledgement Form?				
5. Is the Safety Dept. providing support to project managers and contractors?				
6. Is the receptionist/guard badging contractors and tracking them in the building?				
7. Are contractors following this procedure during their work in the building?				
8. Are contractors reporting accidents and other emergencies?				
9. Are contractors providing SDSs and filling out the Chemical Use Form for chemicals they are using in the building?				
10. Are contractors using their own permits to enter into Confined Spaces and perform Hot Work?				
11. Have changes in the written program been updated?				
Other plant specific items:				

### Comments

Keep original in back of Contractor Program. Forward copy to Plant Manager and Program Administrator.

## **APPENDIX B**

### **Carlton Forge Works Contractor Safety Acknowledgement Form – Required**

To: All Carlton Forge Works Contractors

As a prerequisite for a third party to be eligible to supply or continue supplying services on a contract basis to Carlton Forge Works, each such contractor shall have on file with Carlton Forge Works a fully executed original of this Contractor's Hold Harmless Agreement and Safety Acknowledgement Form, thereby agreeing to certain standards concerning safety and health procedures, insurance requirements and responsibility for workplace injuries and property damage.

By executing this Agreement where indicated below, the undersigned Contractor hereby agrees to comply with the following requirements:

1. In performing any services on behalf of Carlton Forge Works, the contractor at all times shall fully comply with the Carlton Forge Works Contractor Safety Program and the Contractor Safety Video:  
<https://youtu.be/e1CPpQ0jA0A>
2. In performing any services on behalf of Carlton Forge Works, the contractor at all times shall fully comply with the Carlton Forge Works Company Notice to Contractors regarding OSHA Standard 1910.146: Permit Required Confined Spaces, a copy of which is attached in the Carlton Forge Works Contractor Safety Program as Appendix E.
3. The performance of services by the Contractor on behalf of Carlton Forge Works at all times shall be subject to Carlton Forge Works standard Purchase Order Terms and Conditions, a copy of which is attached as Appendix F of the Carlton Forge Works Contractor Safety Program.
4. The Contractor, at all times, shall comply fully with the terms of the Carlton Forge Works Company Contractors Non-Disclosure Agreement, a copy of which is attached as Appendix C of the Contractor Safety Program.
5. The Contractor will at all times provide and maintain for itself, and require any contractor working on its behalf, the following insurance. All insurance must be written on an occurrence basis by a company rated A/IX or better in the most recent edition of "Best's Insurance Guide".
  - A. Commercial General Liability Insurance
    - (i) Combined Bodily Injury and Property Damage  
\$5,000,000 Each Occurrence, Bodily Injury and Property Damage  
\$5,000,000 Each Occurrence, Products/Completed Operations  
\$5,000,000 General Aggregate
    - (ii) The scope of coverage must meet the following and include:
      - a. Independent contractors and work performed on Contractor's behalf by subcontractors
      - b. Contractual Liability
      - c. Contractor insurance is primary coverage, and any insurance maintained by Carlton Forge Works LLC, Precision Castparts Corp., its affiliates, subsidiaries, directors, officers, employees and agents is non-contributory and excess.

**B. Workers' Compensation and Employer's Liability Insurance**

- (i) Workers' Compensation with Statutory limits as required by applicable law
- (ii) Employer's Liability:
  - a. \$1,000,000 Bodily Injury by Accident
  - b. \$1,000,000 Bodily Injury by Disease

Contractor agrees to waive subrogation against Carlton Forge Works LLC, Precision Castparts Corp., its affiliates, subsidiaries, directors, officers, employees and agents for any workers' compensation or employer's liability claims.

**C. Property Floater Insurance**

Property Floater Insurance is required to cover loss or damage to any equipment used by Contractor or independent contractor or subcontractor, working at the direction of Contractor, used in conjunction with work done under this agreement or at our premises. The limit shall be at least equal to the replacement cost of the equipment.

**D. Automobile Liability Insurance**

- (i) Combined Bodily Injury and Property Damage
  - \$1,000,000 Each Accident
  - \$1,000,000 General Aggregate
- (ii) The scope of coverage must meet the following:
  - a. Owned, Non-Owned, and Hired vehicles are covered

**E. General Insurance Requirements**

- (i) Waiver of Subrogation endorsements applicable to each required insurance, in favor of Carlton Forge Works LLC.
- (ii) Contractor's insurance is primary coverage and non-contributory with any insurance maintained by Carlton Forge Works LLC or Precision Castparts Corp., its affiliates, subsidiaries, directors, officers, employees and agents.
- (iii) The policies shall be endorsed to add Carlton Forge Works LLC as Additional Insured to Commercial General Liability and Automobile Liability insurance coverages.
- (iv) Contractor must ensure that independent contractors and subcontractors working at direction or request of Contractor shall maintain the types and limits of insurance as required of Contractor.
- (v) Contractor shall provide evidence of all required insurance coverage prior to the inception of any work under this agreement, but not later than ten (10) days of commencement of work.
- (vi) Contractor shall also provide evidence of insurance for any independent contractor or subcontractor working at direction of Contractor. Carlton Forge Works LLC has the right but not the obligation to approve such insurance prior to any work performed under this agreement.
- (vii) Contractor shall provide Certificate(s) of Insurance to Carlton Forge Works LLC. Such Certificates shall contain all required insurance provisions, including but not limited to Additional Insured status, Waiver of Subrogation, and shall further specify that Carlton Forge Works LLC shall be

---

given thirty (30) days notice prior to cancellation, material change or notice of non-renewal of any of the required insurance policies.

- (viii) The Certificates shall also specify that Contractor's insurance shall be primary and non-contributory with any insurance maintained by Carlton Forge Works LLC, Precision Castparts Corp., its affiliates, subsidiaries, directors, officers, employees and agents.

**Executed as a document under seal as of the date set forth below.**

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Contractor Address

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Date

## **APPENDIX C**

**Carlton Forge Works Contractor Safety  
Contractor's Nondisclosure Agreement – Required  
Example**

### **MUTUAL CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT – SUPPLY CHAIN**

Wyman-Gordon Forgings, Inc. (together with other direct and indirect subsidiaries of Precision Castparts Corp. set forth on Exhibit A attached hereto, collectively, "the PCC Group"), and \_\_\_\_\_ ("Company") (each of the PCC Group and Company, a "party", and collectively the "parties") would like to commence discussions regarding a possible business relationship between Company and the PCC Group, pursuant to which PCC Group companies may purchase certain products and/or services from Company ("Project"). In connection with the Project, each of the parties may disclose confidential information to the other. To further the goals of the Project through open discussions and exchanges of information, the parties agree as follows:

#### **Confidential Information**

"Confidential Information" as used herein means all information in any form that was or is disclosed by or on behalf of a PCC Group company or Company, respectively, or that was or is accessed or obtained by one party from the other party in connection with the Project, including but not limited to technical know-how, concepts, ideas, formulas, methods, processes and procedures of manufacturing and operations; customer and supplier information including contracts; product information, development, research and plans; and cost and pricing information. Each party will make reasonable efforts to mark such information as confidential and proprietary, although the failure to mark information will not render information non-confidential or non-proprietary.

"Confidential Information" does not include any information that (i) is now or becomes publicly available by lawful means and without breach of any confidentiality obligation; (ii) was known to the party receiving the information prior to the date of disclosure; or (iii) is lawfully obtained from any third party.

Information which is specific shall not be deemed to be within the foregoing exceptions merely because it is embraced by more general information in the public domain or in the possession of the receiving party. Further, any combination of information shall not be deemed to be within the foregoing exceptions merely because individual pieces of the information are in the public domain or in the possession of the receiving party, unless the combination itself and its principle of operation are in the public domain or in the possession of the receiving party.

Nothing in this Agreement places on either party any obligation to disclose any specific information. Each party reserves for itself the right to determine which, if any, of its confidential information it will disclose under this Agreement.

#### **Nondisclosure and Nonuse**

Nonuse. Confidential Information disclosed hereunder by one of the parties (hereinafter the "Disclosing Party") will not be used by the other party (hereinafter "Recipient") for any purpose other than in connection with the goals of the Project. Recipient will not copy, transmit, reproduce, summarize, quote or make any other use of Confidential Information.

Nondisclosure. Recipient will keep confidential all Confidential Information it receives from the Disclosing Party. Recipient will not disclose Confidential Information directly or indirectly to any third person (including a parent, subsidiary, affiliate or related party) without the Disclosing Party's express written consent; provided, however that the PCC Group companies may disclose Confidential Information to other PCC Group companies and to Precision Castparts Corp. or its parent company. Each party will take all reasonable steps to protect the confidentiality of received Confidential Information, including informing its employees of the confidential nature of the information, requiring its employees to keep the said information confidential, and all steps that the Recipient



uses to protect its own confidential information. Employees of each party shall also include employees of contract labor companies that provide temporary technical and administrative services for each party. Notwithstanding anything herein to the contrary, neither party may use the Confidential Information of the other party for any other purpose, including without limitation to design, manufacture or repair spare or replacement parts for either party's products, to compare such parts to one another or to designs of such parts, or to obtain FAA Parts Manufacturer Approval or other government approval to manufacture such parts, without the Disclosing Party's express written consent.

**Subpoenas.** If Recipient receives a subpoena calling for disclosure of Confidential Information, or if Recipient is otherwise required by law to disclose Confidential Information, Recipient will immediately, before disclosure, notify the Disclosing Party and provide it with such information as may be necessary so that the Disclosing Party may take appropriate action to protect its interests.

**Delivery of Materials.** Upon termination of the Project, Recipient will, at the Disclosing Party's request, deliver to the Disclosing Party all materials, including (without limitation) documents, records, drawings, prototypes, models and schematic diagrams, which describe, constitute, or in any way relate to Confidential Information.

**Remedies.** The parties recite as facts that breach of this Agreement may cause irreparable harm, and that unauthorized use or disclosure by Recipient of any portion of the Confidential Information disclosed is a misappropriation of valuable trade secrets. Therefore, if Recipient breaches these obligations, the Disclosing Party is entitled to seek specific performance, including an immediate temporary restraining order or preliminary injunction enforcing this Agreement, in addition to any other remedies provided by law.

**Export/Import Control.** The parties acknowledge that any information, including Confidential Information, provided or received under this Agreement may be subject to governmental export control legislation including, but not limited to, the relevant legislation in the countries where the parties are established, the U.S. International Traffic in Arms Regulations ("ITAR") and the U.S. Export Administration Regulations ("EAR"). Recipient represents and warrants that no Confidential Information received hereunder shall be disclosed to any non-U.S. person or firm, including non-U.S. persons employed by or associated with Recipient, nor shall any data be exported from the United States, without first complying with all requirements of the ITAR and the EAR, including the requirement for obtaining an export license and/or technical assistance agreement, if applicable.

**Duration.** This Agreement shall be effective as of the date of the last signature hereto, and shall terminate sixty (60) months from its effective date, but may be terminated earlier by either party giving thirty (30) days' prior written notice to the other party. Termination shall not, however, affect obligations of non-disclosure and non-use arising under this Agreement.

**Warranty and Disclaimer.** Each party represents and warrants that it has the unqualified right to make the disclosures contemplated by this Agreement. Neither party, however, warrants the accuracy of any disclosures made hereunder.

#### **General Provisions**

**No License.** Recipient recognizes and agrees that the disclosure of any Confidential Information does not grant, either expressly or by implication, estoppel or otherwise, any right, license or authority to any patent, trade secret, invention, trademark, copyright or other intellectual property right. All such Confidential Information and any derivations therefrom will remain the property of the Disclosing Party.

**Severability.** If any part of this Agreement is held invalid, illegal or unenforceable in any respect, the Agreement shall in all other respects be valid and enforceable.

**Applicable Law/Venue.** This Agreement shall be governed by and construed in accordance with the laws of the state of Oregon, without regard to the Oregon conflict of laws principles. Any claim asserted in any legal proceeding by one party against the other shall be commenced and maintained exclusively in state or federal court located within Multnomah County, Oregon. The parties hereby submit to the jurisdiction of such courts over each of them personally in connection with such litigation, and waive any objection to venue in such courts and any claim that such forum is an inconvenient forum.

**Waiver.** A waiver by either party does not affect the right to require strict compliance in the future. Any waiver must be in writing and signed by the party who has made the waiver.

**Non-Assignment.** This Agreement shall inure to the benefit of and shall be binding upon the parties, their successors and permitted assigns. The parties recite as a fact that the obligations of Recipient are personal. This Agreement may not be assigned by operation of law or otherwise by Recipient without the prior written consent of the Disclosing Party.

---

Entire Agreement. This is the entire agreement between the parties. Any modification must be in writing and signed by officers of both parties.

*[Signature page follows]*

IN WITNESS WHEREOF, and intending to be legally bound, the parties have caused this Agreement to be executed by their duly authorized officers, effective as of the last date written below.

**Wyman-Gordon Forgings, Inc.**

**[INSERT other company's name]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## APPENDIX D

**Carlton Forge Works Contractor Safety  
 Chemical Use Reporting Form  
 Example**

Prior to the start of work, the Contractor must inform the Carlton Forge Works Project Manager (PM) of all chemicals they will use on site. This notification must be made prior to the performance of any work so that appropriate substitutes can be found for any materials not approved for use at the facility. Please complete the following table and submit to the PM.

Chemical to be used on site	How will Chemical be used	Volume/quantity of Chemical	SDS Submitted w/ this form(Y/N)	Special Concerns

By signing below, the Contractor acknowledges reading and understanding Section 6, "Chemical Safety" of the Carlton Forge Works Contractor Safety Program and agrees to notify the PM of any chemical use changes throughout the course of the project.

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

**Contractor Company Name:** \_\_\_\_\_

Contractor Company Address: \_\_\_\_\_

Contractor Representative Name: \_\_\_\_\_

Contractor Representative Signature: \_\_\_\_\_

(This form must be accessible to CFW and contractor employees during the prescribed project.)

## **APPENDIX E**

**Carlton Forge Works Contractor Safety  
General Notice To Contractors  
Example**

**CARLTON FORGE WORKS COMPANY  
GENERAL NOTICE TO CONTRACTORS  
REGARDING OSHA STANDARD 1910.146  
PERMIT REQUIRED – CONFINED SPACES  
REVISED JANUARY 15, 2001**

This notice provides general information regarding the Carlton Forge Works Company Confined Space Safety program and applies to all Contractors who may perform work at a Carlton Forge Works Company facility.

Contractors are required to ensure that their Confined Space Entry programs are in compliance with OSHA and Carlton Forge Works Company requirements.

Contractors are advised of the following requirements:

1. The Carlton Forge Works Company facility where your contracted work is performed does contain Permit Required Confined Spaces (PRCS's).
2. Entry by any worker into a PRCS shall occur only by a permit program in compliance with OSHA 1910.146.
3. PRCS at Carlton Forge Works Company are identified by the following means:
  - a. Signs stating "Permit Required Confined Space – Entry by Permit Only" have been attached to the entrance to each PRCS that can be easily entered by an individual through doors, stairs, etc. Examples: Access door to bag-house, stair entry to furnace pit.
  - b. Warning signs have not been posted at PRCS's that are not easily entered by an individual through doors, stairs, etc. For example: PRCS signs are not provided on entrances with floor plates, bolted access doors, manholes, etc. Workers identify these spaces as PRCS's by assuming all such confined spaces are PRCS's and are notified of this procedure during their confined space entry training program.
  - c. Signs stating "Warning Confined Space – Authorized Personnel Only" and "Warning – Permit Required for Welding and other Hazardous Operations" have been attached to the entrances to each non-Permit Required Confined Space.
  - d. An inventory of all PRCS's at each Carlton Forge Works facility has been prepared and can be referenced regarding the classification of particular spaces. Contractors can access this information, if needed, through the Carlton Forge Works Project Manager. Contractors shall recognize that the work performed in the space may change the classification of the space.
4. Any worker who cannot readily determine if a space is a PRCS shall assume the space is a PRCS and not enter the space until the classification of the space is determined and proper entry procedures are known.
5. Contractors shall utilize a Certified Industrial Hygienist or Safety Professional for the following activities:

- 
- Identification and evaluation of the confined space including the hazards posed by the work to be performed in the space.
  - Development of the entry procedure and the entry permit.
  - Specification of the atmosphere testing requirements, and approval of monitoring equipment to be used.
  - Selecting appropriate rescue services that are capable, qualified, and available to provide rescue during the contractors work.
6. Contractors shall ensure that all their subcontractors comply with OSHA and Carlton Forge Works Confined Space Safety Requirements.
7. Prior to performing any work in Permit-Required Confined Space, the Contractor shall:
- a. Provide a copy of the Contractor's Confined Space Entry program to the Carlton Forge Works Company.
  - b. Obtain information available from Carlton Forge Works regarding the specific work area and previous entry history.
  - c. Provide to Carlton Forge Works Safety Data Sheets (SDS) for all hazardous materials to be used in the PRCS.
  - d. Coordinate with the Carlton Forge Works Project Manager all entry activities by the Contractor and his subcontractor.
  - e. Meet with Carlton Forge Works Company to discuss entry procedures if Carlton Forge Works personnel will also work in the PRCS during the Contractor's entries or if needed to ensure safety during the project.
  - f. Provide OSHA training certificates for all Contractor and Subcontractor workers who will be entrants, attendants or entry supervisors.
8. At the completion of the work in the PRCS, the Contractor shall provide Carlton Forge Works Company with a copy of all entry permits used during the work. The Contractor shall provide information with the permits regarding any unexpected hazards confronted and any follow-up actions suggested to increase the safety of future entries to the PRCS and shall discuss these issues with the Carlton Forge Works Project Manager.

## **APPENDIX F**

**Carlton Forge Works Contractor Safety  
Asbestos Operations & Maintenance Program –  
Notification of Asbestos Containing Materials (ASB-1)  
Example**

Outside contractors working at Carlton Forge Works could potentially be working in areas where asbestos containing materials (ACMS) are present. Asbestos inspections have been conducted at Carlton Forge Works facilities. Prior to commencing work activities, the Project Manager should determine the identity and location of ACM that may be impacted by outside contractors working on the project.

Copies of all inspection reports are available for viewing in the Environmental Engineering Department.

Any disturbance of ACM should be performed only by properly trained individuals in accordance with applicable regulations.

### **TO BE COMPLETED BY THE PROJECT MANAGER**

Building(s): \_\_\_\_\_ Area of Building: \_\_\_\_\_

Description of Work Involved: \_\_\_\_\_

Start Date: \_\_\_\_\_ Anticipated Completion Date: \_\_\_\_\_

Name of Company: \_\_\_\_\_

Address of Company: \_\_\_\_\_

### **TO BE COMPLETED BY OUTSIDE CONTRACTOR**

I have been made aware of the possibility of asbestos in the area in which I am going to be working. If I could potentially disturb any asbestos during my work activities in any way, I will notify the appropriate Carlton Forge Works Project Manager before performing any work. If ACM is unintentionally disturbed or asbestos fibers are otherwise released, I will stop all work in the affected area and immediately notify appropriate Carlton Forge Works Project Manager.

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

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

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

**Carlton Forge Works Contractor Safety  
 Asbestos Operations & Maintenance Program –  
 Request for Asbestos Determination/Asbestos Abatement  
 (ASB-2) Example**

**(For Determining and Requesting Abatement Work Involving Asbestos-Containing Material)**

To: EH&S Department Ext. 2235

***REQUEST***

1. From: \_\_\_\_\_
2. Date: \_\_\_\_\_
3. Location (plant, building, floor and room number or area involved): \_\_\_\_\_
4. Description of contractor work and material involved: \_\_\_\_\_
5. Special Considerations (i.e., desired completion date, other): \_\_\_\_\_

***DETERMINATION***

1. Date Received: \_\_\_\_\_
2. Date Area Investigated: \_\_\_\_\_  
 Investigated By: \_\_\_\_\_
3. Findings: \_\_\_\_\_
4. Cost Estimates for Abatements: \_\_\_\_\_
5. Date Returned: \_\_\_\_\_



---

---

**ASBESTOS WORK APPROVAL**

1. Proceed (Y/N): \_\_\_\_\_
2. Plant Order Number/Cost Center: \_\_\_\_\_
3. Date Resubmitted to Environmental Engineering: \_\_\_\_\_

**ASBESTOS ABATEMENT**

1. Contractor: \_\_\_\_\_
2. Work Start Date: \_\_\_\_\_
3. Work End Date: \_\_\_\_\_
4. Date Returned: \_\_\_\_\_

---

---

## **APPENDIX G**

<p><b>Carlton Forge Works Contractor Safety Carlton Forge Works Operation - Emergency Evacuation Plan</b></p>
---

### **When do we evacuate?**

**Fire & Explosion**

**Hazardous Materials**

**Bomb Threat**

**Workplace Violence**

**Intruder Alert**

### **Reporting Emergencies:**

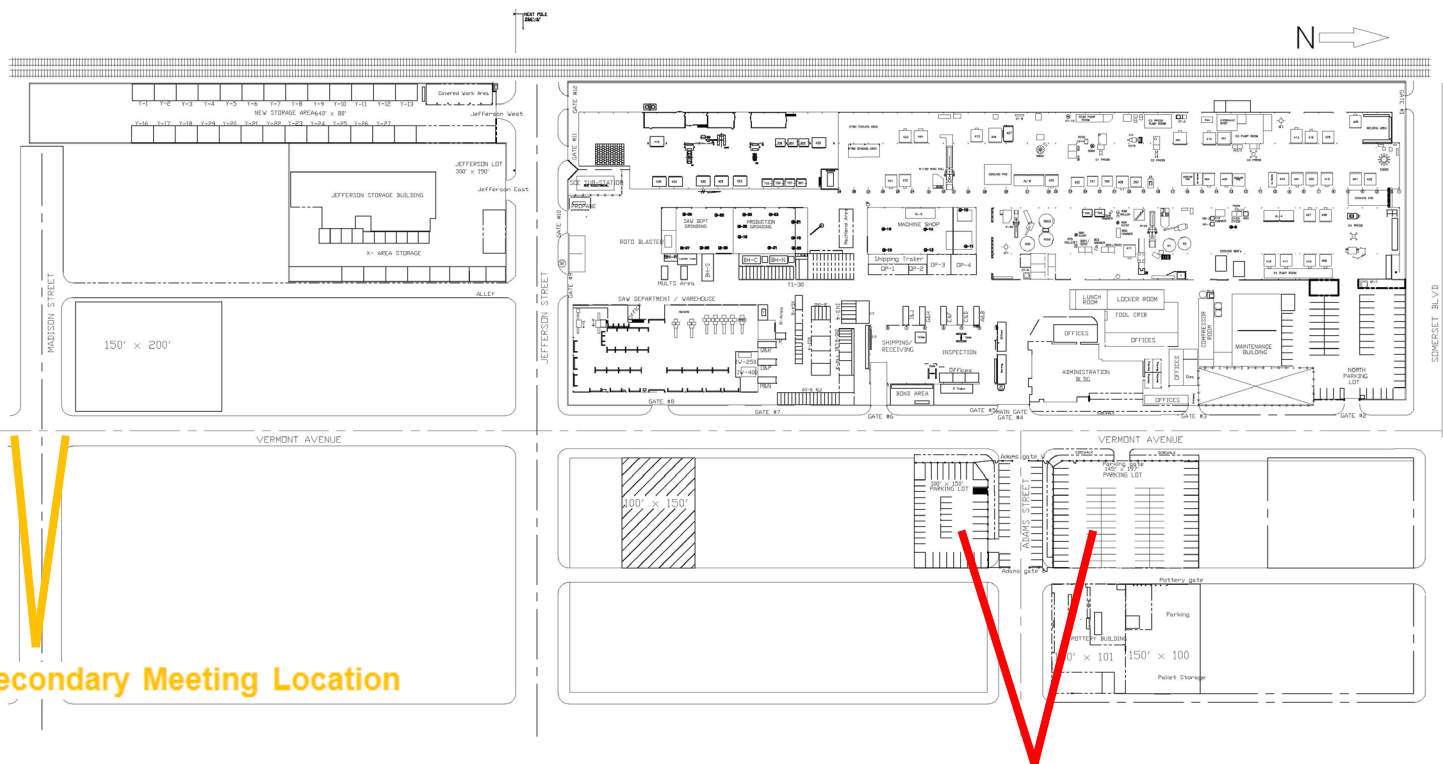
- Pull Fire Alarm for fires
- Notify the supervisor immediately.

### **During an evacuation employees and all visitors shall:**

- Evacuate the building from the nearest exit.
- Take car keys and any medications with you
- Approach all downed power lines as live.
- Report to the designated site Evacuation Meeting Area outside of the building.  
Once outside the building, the Site Leader will account for each person. The Emergency Coordinator / Site Leader will notify the fire department if any persons are thought to be inside the building.
- Do not re-enter a building unless cleared by emergency personnel - structural integrity may be suspect or building atmosphere may be altered.
- Remain at Evacuation Meeting Area until instructed to leave by the local fire department Fire Chief and/or the Site Leader
- Be instructed by the local fire department Fire Chief and the Site Leader as to when normal operations can be resumed.

## Evacuation Site Map EXAMPLE

**Carlton Forge Works Emergency Action Plan**  
**Area Specific Emergency Evacuation Maps are Posted**  
**Throughout the Facility**



**Secondary Meeting Location**

**Primary Meeting Location**

FOUR CITY BLOCKS

## **APPENDIX H**

### **Carlton Forge Works Contractor Safety Purchase Order Terms and Conditions**

**1. Acceptance.** This Order is Buyer's offer to Vendor, and acceptance is strictly limited to its terms. Buyer shall not be bound by and specifically objects to any term or condition whatsoever which is different from or in addition to the provisions of the Order, whether or not such term or condition will materially alter the Order. Vendor commencement of performance or the acceptance of the Order, in any manner shall conclusively evidence agreement to the Order as written. "Order" means this purchase order, including all terms and conditions on the face and reverse side and all specifications issued hereunder and all drawings, models and samples furnished with it. "Goods" means those articles, materials, drawings, data, or other property or services that are the subject of the Order. "Vendor" also includes Vendor's principal if Vendor is acting as broker or agent.

**2. Performance of the Order by Vendor.** (a) Buyer may select mode of transportation, routing of, and carrier for the Goods. (b) Vendor shall be liable for excess transportation costs resulting from deviation from Buyer's instructions. (c) Goods shall be delivered by Vendor to Buyer's business from which Goods are ordered, unless otherwise specified. Risk of loss and title to Goods shall remain with Vendor until after Goods are delivered and all nonconformities are cured. (d) Buyer's weight and count are conclusive, and Buyer shall have no liability for payment for goods delivered in excess of the quantity ordered. Excess Goods may be returned to Vendor at Vendor expense. (e) Vendor waives any right to modify its delivery obligations by the allocation of production and delivery amount its customers set forth in section 2-615 of the Uniform Commercial Code. (f) Vendor shall not deliver any Goods in advance of requested delivery schedule. If Goods are received more than fifteen (15) days ahead of schedule, Buyer reserves the right to return the Goods at Vendor's expense or keep the Goods and make payments as if the delivery was made per the delivery schedule. The delivery dates contained herein are the dates that the Goods are required on the dock at the Buyer's facility.

**3. Delivery, Packing and Crating.** Goods shall be suitably prepared for shipment to secure lowest transportation rates (unless a premium method is specified on the face hereof) and comply with carrier regulations. No charges are allowed for packing, crating, freight express, or cartage unless authorized by Buyer.

**4. Inspection of Goods, Rejection of Goods and Revocation of Acceptance.** After receipt of Goods, Buyer shall have a reasonable time, but not less than seven days, in which to inspect and accept or reject Goods. Payment for Goods shall not constitute acceptance. Buyer may reject Goods not conforming to the Order. For all rejected Goods, Vendor shall provide Buyer, at Buyer's option, a full refund for or replacement of the Goods, at vendor's risk and expense including transportation costs both ways. Buyer may, at its option, purchase substitute Goods in lieu of rejected Goods, and Vendor shall be liable for the difference in costs, less expenses saved by Buyer if any. Acceptance of part of the Goods shall not bind buyer to accept the remainder. Acceptance of all or part of Goods shall not deprive the Buyer of the right to revoke acceptance and return any part of the Goods or the right to make claim for damages because of the failure of the Goods to conform to the Order. Buyer shall not be liable to Vendor for failure to accept Goods for reasons beyond Buyer's reasonable control.

**5. Warranties.** Vendor warrants that all goods delivered shall strictly conform to the Order, shall be of good design, material, and workmanship, free from defects, merchantable and fit for their intended purpose, and shall meet applicable industrial and governmental safety and environmental standards. Vendor warrants that services, if any, performed in conjunction with the Order will be performed in a workmanlike manner. Vendor further warrants that Vendor will have title to and the right to sell such Goods at the time of delivery. Vendor shall also transfer to Buyer the warranty on goods and services incorporated into Goods acquired by the Order. All warranties shall survive any inspections, delivery, acceptance or payment by Buyer, and shall run to Buyer, its successors, assigns, customers and users of Goods. Repairs or replacements of the Goods shall be made by the Vendor, without cost to Buyer, at any time within the warranty period of the Goods when Goods are defective. In the event Vendor intends to replace or discontinue the manufacture of any Goods, Vendor will give Buyer at least six (6) months prior written notice and accept additional Orders for such Goods until the end of the six-month notice period. Vendor may not discontinue manufacture of any Goods until all outstanding Orders for such Goods have been filled.

**6. Indemnification.** Vendor shall defend, indemnify and save harmless Buyer from and against any liability, including reasonable cost of settlement, loss, cost, damage, claims, fines, civil and criminal penalties, or expense, including reasonable attorneys' fees, arising from: (a) any claims which may be made against Buyer by reason of injury or death to person, or damage to property, claimed to have been suffered by any person or other entity including but not limited to Vendor employees, agents, subcontractors, and subcontractor's employees, and alleged to have been caused by defective Goods furnished hereunder or by any act or omission of Vendor or any subcontractor of Vendor or any of their employees or agents; (b) any damage to Buyer's property, including property occupied or used by, or in the care, custody or control of Vendor, alleged to have been caused by defective Goods supplied by Vendor or any act or omission of Vendor, or any subcontractor of Vendor or any of their employees or agents; (c) any claims resulting from an actual or alleged breach of warranty, express or implied, or other actual or alleged breach of the Order by Vendor; and (d) any claims resulting directly or indirectly out of the failure of Vendor to comply with the provisions of paragraphs 8, 9, and 10 of this agreement.

**7. Infringement.** Vendor shall defend Buyer against all claims and proceedings based upon actual or alleged infringement of any patent or copyright by any Goods, or based upon actual or alleged misappropriation or wrongful use of any proprietary or confidential information involving any Goods, and Vendor shall hold Buyer harmless from any resulting losses, liabilities, damages, costs, attorneys' fees and expenses. Vendor shall be notified of such claims or proceedings with reasonable promptness. Vendor's obligations under this clause shall not apply to the extent any Goods are manufactured pursuant to detailed designs furnished by Buyer, or to any infringement arising from the

use or sale of Goods in combination with items not furnished by Vendor if such infringement would not have occurred from the use or sale of such Goods solely for the purpose for which they were designed or delivered to the Buyer.

**8. Insurance.** See Appendix B

**9. Compliance with Statutes and Governmental Regulations.** Vendor warrants that in the performance of work under this Order, it has complied, or will comply, with all applicable federal, state and local laws and ordinances and all lawful orders, rules and regulations thereunder, including, but not limited to, the Fair Labor Standards Act of 1938 as amended, the Walsh-Healy Public Contracts Act as amended, the Copeland Anti Kickback Act as amended, the Occupational Safety and Health Act of 1970 as amended, and Executive Order 11246 as amended, or Equal Employment Opportunity. If this order is for an amount in excess of \$100,000 and if Vendor is not otherwise exempt, then Vendor stipulates the following: (a) that none of the Vendor's facilities is listed on the Environmental Protection Agency List of Violating Facilities pursuant to 40 CFR 15.20; (b) that Vendor agrees to comply with all the requirements of Section 114 of the Clean Air Act, including all related regulations and guidelines; and (c) that Vendor agrees that the Order is expressly conditional on the Vendor promptly notifying Buyer in the event Vendor receives any communication from the Environmental Protection Agency indicating that a facility to be utilized in the performance of the Order is being considered for listing on the EPA List of Violating Facilities.

**10. Government Contracts.** When a United States Government contract number appears on the face of the Order, the terms and conditions for government contracts referenced on its face apply to the Order. If a Government priority rating is shown on the face of the Order, Vendor shall follow the provisions of the Defense Priorities and Allocation System Regulation (15 CFR 700) and all other applicable regulations and orders of the Office of Industrial Resource Administration, Department of Commerce, in obtaining controlled materials and other products needed to fill this Order.

**11. Cancellation.** This Order may be cancelled by Buyer, in whole or in part, at any time and for any reason, and at Buyer's convenience, by oral notification followed by written confirmation to Vendor. Vendor will immediately cease performance under the Order upon receipt of notification of cancellation (unless otherwise specified by Buyer). Buyer agrees to consider reasonable reimbursement to Vendor for finished Goods and work in process upon Vendor's submission of supporting documentation within 30 days of cancellation. Any reimbursement to Vendor must be mutually agreed upon. In no event will Buyer be responsible for any loss of profit or for payment for any work that is or may be rejected upon inspection or does not conform to Buyer's specifications or purchase order requirements.

**12. Assignment.** None of the amounts due or to become due, nor any of the work to be performed under the Order, shall be assigned or subcontracted by Vendor without Buyer's prior written consent.

**13. Buyer's Property, Confidentiality.** (a) Buyer retains title to all information and materials furnished to Vendor to facilitate performance under the Order, such information and materials shall be (i) treated as Buyer's confidential information, (ii) used exclusively by Vendor to complete the Order, and (iii) returned to Buyer at its direction or upon completion, termination, or cancellation of the Order, along with copies or reproductions, unless otherwise agreed in writing by Buyer. (b) All property of Buyer furnished to Vendor for performance of work under the Order shall remain property of Buyer and shall be segregated from Vendor's property and be individually marked as Buyer's property. Such property shall be exclusively for performance under the Order and shall be returned to Buyer at its written request, or upon termination, cancellation or Order completion. (c) Goods made in accordance with Buyer's specifications or drawings shall not be furnished or quoted to any other entity. (d) Title to tooling associated with the machining of Goods ordered by Buyer, including software proprietary to Vendor used to control the manufacturing of tools or machining of Goods ordered by the Buyer, will be provided to Buyer upon request. (e) Buyer reserves the right to audit Vendor's compliance with the terms and conditions of this agreement.

**14. Taxes.** Buyer shall only be liable for such federal, state and local taxes levied on Buyer which Vendor is required by law to collect from Buyer. Such taxes shall be stated separately on Vendor's invoices.

**15. Buyer's Right to Make Changes.** Buyer may at any time, by written notice to Vendor, make changes in the drawings, specifications, quantities, and schedules and shipping instructions under the Order. If any such change increases or decreases the cost of performing the Order, or the time required for its performance, an equitable adjustment in prices and/or schedules shall be made provided that any claim by Vendor for such adjustment shall be presented in writing to Buyer within (20) days from the date the change is ordered by Buyer.

16. Compliance with Laws; U.S. Export Controls. In performing work under this Order, Vendor and its subcontractors will comply with all applicable federal, state and local laws, and the rules and regulations of any governmental authority. This includes strict compliance with all applicable export control laws and regulations of the United States and all applicable trade regulations under U.S., foreign or other relevant jurisdictions. Buyer reserves the right to cancel any Order without penalty or liability to Buyer in the event Vendor's performance under this Order does not comply with such laws, rules and regulations. Vendor will defend, indemnify and hold Buyer harmless for any non-compliance by Vendor or its subcontractors.

**17. Cumulative Remedies.** All of Buyer's rights and remedies under the Order or at law are cumulative and non-exclusive. Payment to Vendor under this Order is subject to set-off or recoupment for any present or future claims or damages that Buyer or its affiliates have or may have against vendor or its affiliates.

**18. Entire Agreement.** The Order constitutes the entire agreement between the parties with respect to the subject matter and supersedes all previous proposals (both oral and written), negotiations, representations, commitments, writings and all other communications between the parties. No waiver, alteration, modification or addition to the Order shall be binding unless expressly agreed in writing by a duly authorized representative of Buyer. The failure of Buyer to insist on performance of any provision of this agreement shall not be construed as a waiver of either that provision or any other provision in any later instance.

**19. Governing Law.** This agreement shall be deemed to have been made in, and shall be construed pursuant to the laws of the State of California excluding its choice of law rules and excluding the U.N. Convention on Contracts for the International Sale of Goods. The parties agree that in any effort to enforce the terms and obligations hereunder, the complaining party will notify the other party in writing of the alleged dispute, and the parties will then attempt in good faith to resolve the dispute through prompt discussion and meeting between representatives having decision-making authority regarding the dispute. Upon mutual agreement, the parties may engage a neutral mediator to facilitate resolution of the dispute. If the dispute is not resolved by the 30th day after written notice of the dispute was first made, either party may initiate mandatory binding arbitration, subject to the Federal Arbitration Act, 9 U.S.C. §§ 1-16, which will be the sole remedy for any claims seeking damages, whether for breach of contract, tort, or any other legal theory. Any such arbitration will be in place of any action in state or federal court, which rights the parties expressly waive. The arbitration will take place in Columbia, California, before a single arbitrator affiliated with a commercial arbitration service that Buyer selects within 30 days of either party's demand for arbitration. Nothing herein, however, precludes

Buyer from obtaining in any court of competent jurisdiction any injunctive or equitable relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause Buyer irreparable harm. Such injunctive and equitable relief may be sought prior to any mediation that would otherwise be required hereunder.

**20. Time is of the Essence.** The parties agree and acknowledge that time is of the essence regarding performance as well as billing to the Buyer. The Vendor hereby expressly agrees that all billing shall be submitted in final form no later than 90 days following the final delivery of any goods or the completion of any work or services hereunder. Failure to submit billing within the time limit will result in a 10% per month reduction of any such late bill. The Vendor specifically agrees that a delay of more than 180 days in billing will result in the Vendor's forfeiture of its right to collect any sum hereunder.

**21. Cost of Litigation.** In the event that Buyer is required to pursue any litigation, arbitration or other means of dispute resolution pursuant to any transaction subject to this agreement, the Buyer shall be entitled to collect all sums determined to be due and any and all reasonable costs of prosecution, defense and/or collection which sum shall include attorney's fees, expert witness fees, reasonable out of pocket expenses including witness transportation fees and other witness' out of pocket expense.

**22. Order of Precedence.** The parties' relationship will be governed by the following documents, which will be interpreted and prevail in the following order of precedence: (i) any long-term agreement (LTA) between the parties, (ii) Buyer's general terms and conditions contained herein, (iii) any design or specification documents, and (iv) Vendor's standard terms and conditions of sale.

**23. Limitation of Buyer's Liability.** Any liability of Buyer for any breach of any term or condition imposed upon it, whether such term or condition is contained in this Order or otherwise, will not exceed the purchase price for the Goods involved in the alleged breach. Buyer will not under any circumstance be liable for indirect, consequential or incidental damages.

**24. Tooling.** Buyer may at any time reimburse Vendor for the cost of any tooling and fixturing used in the manufacture of the Goods hereunder, and upon such reimbursement, Buyer will become the owner and be entitled to immediate possession of such tooling and fixturing. Buyer will also be the owner of any tooling and fixturing included separately in the price paid by Buyer. Vendor will, to the extent feasible, identify such tooling and fixturing as Buyer directs and will, when this Order has been completed, dispose of such tooling and fixturing only in accordance with Buyer's written instructions. Vendor assumes complete liability for any Buyer-owned or Buyer-furnished tooling and fixturing, and Vendor agrees to pay for all repair, maintenance and replacement of such tooling and fixturing.