



Contractor Safety Procedure

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CORP-SAFE

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Rev Level	Revision Date	Description of Changes
01	08/22/2014	• Initial release
02	01/04/2017	• Update Records and Logs, References

1.0 Purpose

This document informs interested persons, including employees, that Atlas Machine and Supply, Inc. has developed a procedure to transmit safety information both from the company to contractors and their workers and from contractors and their workers to this company. Common sense and safety concerns encourage standardization of these communications. These procedures standardize information transfer to make sure that all concerned have the information they need to work safely.

- 1.1 A written contractor safety policy establishes guidelines to be followed for contractors working at our company. The rules established:
 - Provide a safe working environment.
 - Govern facility relationships with outside contractors.
 - Ensure that contractor employees and our employees are trained to protect themselves from all potential and existing hazards.
- 1.2 The effectiveness of the contractor safety program depends upon the active support and involvement of all employees. This plan is intended to implement a program to ensure that all contractor work practices are carried out safely to minimize the possibility of injury or harm to the contractors' employees or our own employees. It is intended to serve as an additional tool in safeguarding the health and safety of employees.
- 1.3 The contractor safety policy establishes uniform requirements designed to ensure that contractor safety orientation, coordination, and safety administration practices are communicated to and understood by employees.
- 1.4 Individuals working in Atlas Machine and Supply, Inc. facilities may potentially be exposed to various hazards. Hazards includes exposure to high temperatures, overhead cranes, vehicular traffic, hazardous materials, and the operation of large industrial equipment.
- 1.5 This document is provided to ensure all Atlas Machine and Supply, Inc. safety plans, policies and procedures are communicated to all participating contractors. It also provides an avenue for contractors to communicate their safety plans, policies and procedures to the company. This program aims to prevent personal injuries and illnesses.
- 1.6 This document provides procedures for evaluating selected contractor's current and previous safety performance history including but not limited to incident rates, regulatory citations, Experience Modification Ratings, and other metrics as required by Atlas Machine and Supply, Inc. prior to allowing a contractor to perform work.

2.0 Scope

This procedure applies to all Atlas Machine & Supply, Inc. owned facilities and customer sites where contractor services are being used for Atlas Machine and Supply, Inc. project, repair, and service work.

Master files are stored electronically and are available to all team members.

Printed copies of the master files are for reference only.



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3.0 Responsibility

- 3.1 Safety Department, is responsible for developing and maintaining the program. A copy of the plan may be reviewed by employees. It is located in electronically via the company intranet portal. In addition, Safety Department is responsible for maintaining any records related to the contractor safety program.
- 3.2 If after reading this program, you find that improvements can be made, please contact the Safety Department. We encourage all suggestions because we are committed to the success of our contractor safety program. We strive for clear understanding, safe behavior, and involvement from every level of our company.
- 3.3 This company has specific safety responsibilities when hiring contractors to come onto the worksite, onto the grounds, or into the buildings or facilities to perform work, including Atlas Machine and Supply, Inc. customer sites.
- 3.4 Company responsibilities when hiring contractors include the following listed steps. The company will:
- 3.4.1 Take steps to protect contract workers who perform work on or near a potentially hazardous process.
 - 3.4.2 Obtain and evaluate information regarding the contract employer's safety performance and programs using the Atlas Machine and Supply, Inc. Contractor Work-Site Planning Package.
 - 3.4.3 Inform the contractor of known potential fire, explosion, or toxic release hazards related to the contractor's work and the process.
 - 3.4.4 Explain the applicable provisions of the emergency action plan to the contractor, and require that the contractor disperse that information to all workers who will work at this site.
 - 3.4.5 Develop and implement safe work practice procedures to control contract employee entry into hazardous work areas.
 - 3.4.6 Maintain a contract employee injury and illness log.
 - 3.4.7 Periodically evaluate the contract employer's fulfillment of his or her responsibilities under this policy.
 - 3.4.8 Hire and use only contractors who meet Contractor Selection Criteria as listed in the next section of this policy.
- 3.5 Contractor employees must perform their work safely. Considering that contractors often perform very specialized and potentially hazardous tasks, such as confined space entry activities and non-routine repair activities, their work must be controlled.
- 3.6 Contractor responsibilities when accepting contracts with Atlas Machine and Supply, Inc. include the following listed steps. The contract employer will:
- 3.6.1 Assure that the contract employee is trained in the work practices necessary to safely perform his or her job.
 - 3.6.2 Instruct the contract employee in the potential fire, explosion, or toxic release hazards related to his or her job and the process.



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- 3.6.3 Assure that the contract employee knows the applicable provisions of the emergency action plan.
- 3.6.4 Document contract employee training.
- 3.6.5 Inform contract employees of and then enforce safety rules of the facility, particularly those implemented to control the hazards of the contracted process during operations.
- 3.6.6 Require that all subcontractors abide by the same rules to which the contractor is bound by this section.
- 3.6.7 Abide by the facility smoking rules. Smoking is prohibited in certain areas of some facilities. Therefore, permission must be requested before the contractor's employees are allowed to smoke in any area.

4.0 Process

The following listed steps are the standard procedures for evaluating and choosing contractors who will work on-site at this company.

- 4.1 Obtain and evaluate information regarding a contractor employer's safety performance and programs using the Contractor Work-Site Planning Package when selecting a contractor to perform any type of contract work that might bring them into contact with any hazardous chemical or process on the premises of this company.
- 4.2 To determine that past safety performance, Atlas Machine and Supply, Inc. shall consider the contractor's:
 - 4.2.1 Employee injury records such as Experience Modification Rate (EMR or MOD) for workers' compensation for the past three years and the contractor's past safety record in performing jobs of a similar nature.
 - 4.2.2 OSHA log, which includes the injury and illness rates (number of lost-time accident cases, number of recordable cases, number of restricted workday cases, number of fatalities) for the past three years.
 - 4.2.3 Incidence rates for lost-time accidents and recordables for the past three years.
 - 4.2.4 Written safety program and training system.
- 4.3 For contractors whose safety performance on the job is not known, obtain information on injury and illness rates and experience and obtain contractor references.
- 4.4 Contractor work methods and experience should be evaluated. Ensure that for the job in question the contractor and its employees have the appropriate:
 - Job skills.
 - Equipment.
 - Knowledge, experience, and expertise.
 - Any permits, licenses, certifications, or skilled tradespeople necessary to be capable of performing the work in question.



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4.5 The contractor must be willing and able to provide a current certificate of insurance for workers' compensation and general liability coverage with the contracting company. All certificates of insurance shall meet the following requirements.

Commercial General Liability: Per Occurrence	\$1,000,000
Commercial General Liability: Personal & Advertising Injury	\$1,000,000
Commercial General Liability: General Aggregate	\$2,000,000
Commercial General Liability: Products/Completed Operations Aggregate	\$2,000,000
Automobile Liability: Combined Single Limit (Each Accident)	\$1,000,000
Workers' Compensation: Statutory	Statutory
Employer's Liability: Each Accident	\$500,000
Employer's Liability - Disease: Each Employee	\$500,000
Employer's Liability - Disease: Policy Limit	\$500,000
Waiver of Subrogation	<p>A policy endorsement that relinquishes an insurer's right of recovery against a third party for payments made on behalf of an insured.</p> <p>Insurance certificate must include one of the following statements:</p> <ol style="list-style-type: none"> 1. All policies contain a Waiver of Subrogation in favor of Atlas Machine and Supply, Inc. 2. All policies contain a Waiver of Subrogation in favor of the Certificate Holder. 3. All policies contain a Blanket Waiver of Subrogation. <p>The Waiver of Subrogation is required on the Commercial General Liability and Auto Liability.</p>
Additional Insured	<p>A policy endorsement that extends coverage to a person or entity who normally would not be included as an insured to a policy.</p> <p>Insurance certificate must include one of the following statements:</p> <ol style="list-style-type: none"> 1. Atlas Machine and Supply, Inc. has been added as an Additional Insured to the Commercial General Liability and Auto Liability. 2. The Certificate Holder has been named as an Additional Insured to the Commercial General Liability and Auto Liability. 3. All policies contain a Blanket Additional Insured.
Certificate Holder	<p>Certificate Holder must cite the following: Atlas Machine and Supply, Inc. 7000 Global Drive Louisville, Kentucky 40258</p>



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4.6 Each contractor must be responsible for ensuring that its employees comply with all applicable local, state, and federal safety requirements, as well as with any safety rules and regulations set forth by this company, at which it is performing the contracted work.

4.7 Possible ways to determine past compliance with such safety regulations include:

- 4.7.1 Requesting copies of any citations for violations occurring within the last three years, to determine the frequency and type of safety laws violated.
- 4.7.2 Having all bidders on jobs describe in detail in writing any safety programs in place at the contractor, infractions, accidents, and workers' compensation claims within the last three years. This information will provide Atlas Machine and Supply, Inc. with a solid background on that contractor's safety performance and adherence to safety rules and regulations.

4.8 Before contract work begins, Atlas Machine and Supply, Inc. must:

- 4.8.1 Designate a representative to coordinate and communicate all safety and health issues and communicate with the contractor. The designated representative will have a copy of the work document, be thoroughly familiar with its contents, and with the safety and health aspects of the work, or know who to call to obtain this information. The designated representative is responsible for ensuring that all company responsibilities listed below are carried out.
- 4.8.2 Provide a copy of the facility's written safety policies and procedures to the contractor.
- 4.8.3 Inform the contractor of any emergency signals and procedures that may be put into operation in areas where the contractor's employees are working. The contractor should be given the telephone numbers of the nearest hospital, ambulance service, and fire department.
- 4.8.4 Conduct an inspection of the proposed worksite area before the prestart-up meeting so any known information about on-site hazards, particularly nonobvious hazards, are documented and thoroughly communicated to the contractor.
- 4.8.5 Work directly with the contractor's designated representative, with whom all contacts should be made.
- 4.8.6 Conduct a pre-start up meeting (walk through) with the contractor's designated representative and a supervisor from each of the areas of the plant involved in the contractor's work.
- 4.8.7 Review all contract requirements related to safety and health with the contractor's designated representative, including, but not limited to, rules and procedures, personal protective equipment (PPE), and special work permits or specialized work procedures. Advise the contractor that the facility safety and health policies must be followed. A copy of the facility's safety plans must be furnished to the contractor.
- 4.8.8 Inform contractor's designated representative of the required response to employee alarms and furnish the contractor with a demonstration or explanation of the alarms.
- 4.8.9 Communicate thoroughly with the contractor's designated representative any safety and health hazards (particularly nonobvious hazards and hazard communication issues)



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known to be associated with the work, including those in areas adjacent to the worksite. Tell them it is the contractor's responsibility to convey this information to its employees.

- 4.8.10 Review preparation of worksite before contractor begins initial work.
 - 4.8.11 Identify connect-points for all services, such as steam, gas, water, electricity, etc. Define any limitations of use of such services.
 - 4.8.12 Ensure that all affected employees at this company receive training on all hazards to which they will be introduced by a contractor.
 - 4.8.13 Information shall be exchanged via purchase order and specific instructions from Atlas Machine and Supply, Inc. project coordinators, including pre-bid, post bid award, and planning meetings.
- 4.9 During the contract work, Atlas Machine and Supply, Inc. must:
- 4.9.1 Limit, as necessary, the entry of company employees into contractor work areas.
 - 4.9.2 Monitor the contractor's compliance with the contract throughout the duration of the work. When checking contractor work during the project, note any negligent or unlawful act or condition in violation of safety standards or requirements. Any items noted should be brought immediately to the attention of the contractor's designated representative in writing, with a copy of the notice being sent to the contractor's home office concurrently. However, if an unsafe act or a condition is noted that creates an imminent danger of serious injury, immediate steps should be taken with the contractor's designated representative, or in his or her absence, the contractor's employees to stop the unsafe act or condition. **Do not allow work that is in violation of a regulation to continue.**
 - 4.9.3 Document all discussions, including place, time, and names of contractor employees in attendance.
 - 4.9.4 Approve the contractor beginning work each day, unless it is routine service or maintenance work or periodic outdoor service or maintenance work.
 - 4.9.5 For work for which this company has developed specific and generally applicable procedures, make sure contractors and their subcontractors follow the same procedures.
 - 4.9.6 Do not allow loaning of tools and equipment to outside contractors and their subcontractors. The contractor is required to provide the necessary tools and equipment.
 - 4.9.7 Contact the nearest medical facilities, when available, in emergency situations where severity of the injury dictates immediate attention.
 - 4.9.8 Obtain a copy of each OSHA recordable injury report from the contractor and subcontractor. Investigate and report to the facility manager all personal injuries to contractor and subcontractor employees.
 - 4.9.9 Investigate and report any property losses. Maintain a contractor accident report file.
 - 4.9.10 After conclusion of the contract work, Safety Department or Project Coordinator completes a post-project assessment of the contractor's safety performance for the facility manager to be used for future reference, with a recommendation on whether or not to re-hire the contractor.
- 4.10 Before the contract work begins, the contractor must:



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- 4.10.1 Designate a representative to coordinate all safety and health issues and communicate with this company's designated representative.
 - 4.10.2 Provide documentation of any necessary safety training, as described in the Training Requirements section of this policy, to this company's designated representative.
 - 4.10.3 Provide information to the designated representative on the safety and health hazards that may arise during the course of the contractor's work at this company and the means necessary to avoid danger from those hazards, including Hazard Communication and all other potential hazards. This shall be recorded on a Job Safety Analysis (JSA) prior to the contracted work beginning each day and submitted to the designated representative.
 - 4.10.4 Obtain from Atlas Machine and Supply, Inc. any safety rules and regulations in effect at the site or potential hazards present that may affect the contractor's work.
 - 4.10.5 Be certain to be informed of any emergency signals and procedures that may be put into operation in areas where the contractor's employees are working. The contractor should be certain to have the telephone numbers of the nearest hospital, ambulance service, and fire department.
 - 4.10.6 Advise and train its employees on hazards associated with the work to be performed, including any Hazard Communication or other hazard information provided the contractor by this company's designated representative.
 - 4.10.7 Keep the designated representative of Atlas Machine and Supply, Inc. fully informed of any work which may affect the safety of Atlas Machine and Supply, Inc. employees or property. This includes complying with the state and federal right-to-know legislation and providing the designated representative appropriate safety data sheets (SDSs) or other required information about chemicals the contractor will bring onto the site.
 - 4.10.8 Know who to call and what to do in emergencies, including where first-aid and medical services are located and train employees on this.
- 4.11 During the contract work, the contractor will:
- 4.11.1 Have a designated site safety coordinator present and attentive to the work being carried out at all times that the contractors and/or subcontractors are working at the facility site.
 - 4.11.2 Ensure that all subcontractors are abiding by the terms of this plan.
 - 4.11.3 Perform its work while the plant is operating, if necessary, and establish necessary safe practices to permit work under operating conditions without endangering Atlas Machine and Supply, Inc. employees and property. This includes but is not limited to barricading, sign-posting, and fire watches.
 - 4.11.4 Make sure that any equipment, chemicals, or procedures used by the contractor to perform contracted work meet all OSHA requirements.
 - 4.11.5 Be held responsible and accountable for any losses or damages suffered by Atlas Machine and Supply, Inc. and/or its employees as a result of contractor negligence.
 - 4.11.6 Provide its employees with medical care and first-aid treatment. Atlas Machine and Supply, Inc. first-aid facilities may be used only in case of emergencies.
 - 4.11.7 Use only the plant or building entrance designated, and follow the facility access control practice. Ensure all contractor employees sign in and out as required. The contractor also



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will ensure that each contractor employee is issued and wears an Atlas Machine and Supply, Inc. visitor identification badge.

- 4.11.8 Provide supervisors and employees who are competent and adequately trained, including training in all health and safety aspects of the work involved in the contract.
 - 4.11.9 Provide all tools and equipment for the work, including personal protective equipment (PPE), and ensure the equipment is in proper working order and employees are instructed in its proper use.
 - 4.11.10 Maintain good housekeeping in the workplace.
 - 4.11.11 Follow specific instructions supplied by this company should emergency alarms be activated.
 - 4.11.12 Notify the designated representative immediately of any OSHA recordable injury or illness to contractor employees or subcontractor employees occurring while on the site of this company. Provide a copy of each accident report to the designated representative.
 - 4.11.13 Receive and use a copy of the facility's written safety policies and procedures.
 - 4.11.14 After conclusion of the contract work, the contractor is responsible for cleaning all work areas and disposing of any discarded materials in a proper and legal manner.
- 4.12 Training Requirements
- 4.12.1 Company Requirements
 - 4.12.1.1 Atlas Machine and Supply makes sure that affected company employees receive training on all hazards to which they will be introduced by a contractor.
 - 4.12.1.2 In addition, we emphasize to the contractor that it is the contractor's responsibility to convey to its employees any safety information provided by the company to the contractor.
 - 4.12.2 Contractor Requirements
 - 4.12.2.1 Train all workers on all safety and health hazards and provisions applicable to the type of work being done, and provide documentation of such training to this company's designated representative.
 - 4.12.2.2 Train employees on where to obtain first-aid and medical services.

5.0 Records

5.1 Company Requirements

- 5.1.1 The company representative will:
 - 5.1.1.1 Have a copy of the contract on file and be thoroughly familiar with its contents, and with the safety and health aspects of the work.
 - 5.1.1.2 Keep records of all training done with company workers regarding hazards to be caused by the contracting company.



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- 5.1.1.3 Keep copies on file of all forms or statements related to the contract that are required by the company to be filled out before or during contract work.
- 5.1.1.4 Keep an OSHA recordable injury and illness log for the project, as well as copies of accident reports on all accidents that occur in the course of the project.
- 5.1.1.5 Keep a daily log regarding pre-work start-up inspection findings.
- 5.1.1.6 Keep records of all documentation of any sort given to you by the contractor, including records of training done, SDSs, accident reports, etc.
- 5.1.1.7 Keep records of all documentation of any sort you give to the contractor, including list of hazards to train their employees on, SDSs, etc.
- 5.1.1.8 Document all discussions, letters, memos, or other communications made to the contractor regarding safety issues, including place, time, and names of people involved.

5.2 Contractor Requirements

5.2.1 The contractor will:

- 5.2.1.1 Keep records of all training done with contract workers and all documentation provided to the contracting company regarding such training.
- 5.2.1.2 Keep copies on file of all forms or statements related to the contract that are required by the company to be filled out before or during contract work.
- 5.2.1.3 Have on file the telephone numbers of the nearest hospital, ambulance service, and fire department.
- 5.2.1.4 Have copies on-site of all safety data sheets (SDSs) or other required information about chemicals relevant to the work on-site.
- 5.2.1.5 Keep an OSHA recordable injury and illness log for the project, as well as copies of accident reports on all accidents that occur in the course of the project

6.0 Records/Logs

- Contractor Work-Site Planning Package
- OSHA 300 and 300A
- Certificates of Insurance

7.0 References

- OSHA General Industry and Construction Standards
- Atlas Machine and Supply, Inc. Safety Management System
- Customer/Client Requirements