

CONTRACTOR ON PREMISE PROCEDURE

It is of prime importance that contractor activities be performed in accordance with established safety policies and procedures, not only for the benefit of the contractor's employees, but also to protect International Paper personnel from unnecessary hazards. The contractor is responsible for his employee's safety and safety performance. Violation of established safety policies may result in the contractor having to remove individual contractor personnel or supervision from the mill site, or the contracting firm being removed from consideration for future work at the site. It is the contractor's responsibility to ensure that all personnel have been trained and understand the procedures contained in this manual.

1.0 Purpose

International Paper is committed to providing a safe working environment at this facility. The arrival of untrained contractor personnel on the premises can present problems in this regard. Therefore, the Franklin Mill is establishing this Contractor on Premises Procedure to ensure that a safe working environment is maintained and that the mill's and company's interests are protected.

2.0 Scope & Application

2.1 This procedure applies to contractors performing work for International Paper Franklin Mill, including Fiber Recycling Plant and Franklin Sheet Converting. This procedure does not specifically apply to visitors, vendors, consultants or contract employees working under the direct supervision of IP personnel.

2.2 This procedure presents the minimum requirements that must be met.

3.0 References

3.1 29 CFR 1910.1200, Hazard Communications

3.2 29 CFR 1910.119, Process Safety Management of Highly Hazardous Chemicals (PSM)

3.3 Franklin Mill's Incident Investigation Procedure

3.6 International Paper Purchasing Policy & Procedures Manual, Tab #18

3.7 Franklin Mill's Safety Procedures Manual

3.8 Franklin Mill's Industrial Hygiene Procedures Manual

4.0 Definitions

4.1 **Contractor:** Contractors, for the purposes of this manual, are non-International Paper personnel who perform work on International Paper premises. This includes major construction or renovation, electrical, landscaping, scale maintenance, HVAC system maintenance, tank cleaning, and janitorial work. (Subcontractors are considered to be employees of the main contractor)

4.2 **Contract:** A formal agreement in writing between two parties, employer and employee, to do something for the employer, International Paper that is enforceable by law.

4.3 IP Contractor Manager: an International Paper employee initiating a purchase requisition and/or otherwise responsible for the presence of contractor personnel at the Franklin mill site. To be qualified as an IP Contractor Manager, an employee must complete the Contractor Manager Qualification test administered by the Site Contractor Coordinator. Upon successful completion of the test, the Site Contractor Coordinator will authorize the employee to act in the capacity of a Contractor Manager.

4.4 Contractor Personnel or Contractor Employees: all employees, agents, subcontractors, subcontractor's employees, and subcontractor's agents.

4.5 Contractor Supervisor: refers to the contractor employee supervising the contractor's activities at the mill site.

4.6 Premises: IP manufacturing & maintenance areas including the mill proper ("inside the fenceline"), Sheet Converting, Fiber Recycling Plant, 910 Turbine Generator, and all operating support areas.

4.7 Contract Employee: a non International Paper individual providing service under a purchase order or contract, and who works under the direct supervision of an IP employee. Activities of this individual are governed by the IP Safety & Health Manuals and all bargaining agreements.

4.8 Safety Improvement Plan: a detailed, written plan submitted to IP which addresses injuries, injury trends, compliance with site procedures, and job specific safety requirements.

5.0 Responsibilities

5.1 Purchasing Department -

5.1.1 Maintain an approved contractor bidder's list for the facility, subject to safety review by Site Contractor Coordinator.

5.1.2 Approve contractors for addition to the bidder's list, with assistance of the Loss Prevention Department and Site Contractor Coordinator, where appropriate.

5.1.3 Distribute COPP Manual to contractors and maintain copies of the Contractor Acceptance Signature Letter.

5.1.4 Maintain contractor profile information, i.e., evaluation reports, for future reference.

5.1.5 Manage the International Paper Contractor Qualification System or the facility.

5.2 Loss Prevention Department -

5.2.1 Maintain contractor injury log

5.2.2 Maintain the Contractor On Premises Procedures Manual.

5.2.3 Maintain contractor incident investigation reports

5.2.4 Maintain the Contractor Chemical List.

5.2.5 Review and approve contractor chemicals.

5.2.6 Maintain current Material Safety Data Sheets (MSDS) for hazardous substances which contractor employees are likely to encounter while on our premises.

5.3 IP Site Contractor Coordinator

5.3.1 Review contractor experience modification rates, injury/illness incident rates, and safety programs, as appropriate, for inclusion on Bidder's List.

5.3.2 Maintain current list of qualified IP contractor managers

5.3.3 Evaluate results of IP contractor manager qualifications

5.3.4 Participate in incident investigations for contractor injuries and near misses.

5.3.5 Forward requests for contractor "exemption" from selection criteria to Mill Manager for approval

5.3.6 Maintain list of contractors "exempt" from selection criteria and supporting documentation.

5.4 IP Contractor Manager

5.4.1 Successfully complete IP Contractor Manager "Contractor on Premises" test.

5.4.2 Enforce all policies and procedures in the Contractor on Premises Procedures Manual.

5.4.3 Complete pre-work safety meeting with the on-site contractor supervisor, and forward documentation of meeting to Site Contractor Coordinator.

5.4.4 Ensure that contractor supervision performs an initial safety briefing with all employees prior to beginning work, and at a minimum, complete a weekly Jobsite Inspection for each contractor, and forward copies of inspection reports to Site Contractor Coordinator.

5.4.5 Ensure that all chemicals have been approved for use prior to chemicals being brought on-site.

5.4.6 Convene and lead formal investigations of all reported near miss, first aid, and OSHA recordable accidents.

5.4.7 Return "Job Close-Out Sheet" to the Site Contractor Coordinator upon completion of the contract activity.

5.4.8 Inform production department of contractor activity within their area.

5.4.9 Submit contractor information for inclusion on the Contractor List.

5.4.10 Provide contractors with access to current Material Safety Data Sheets (MSDS) for hazardous substances which contractor employees are likely to encounter while on our premises. Information is available from the Loss Prevention Department.

5.4.11 Initiate and submit to the Site Contractor Coordinator "exemption" forms for contractors not meeting selection criteria

5.4.12 Ensure that a designated IP representative is serving as a contact person when the Contractor Manager is absent from the mill.

5.5 Contractor

5.5.1 Comply with all rules, policies, and procedures in the Contractor on Premises Procedures Manual. In addition, contractors must abide by all governmental regulations applicable to the work being performed.

5.5.2 Notify IP Contractor Manager when entering/present on mill premises.

5.5.3 Responsible for the work and conduct of all employees on the site.

5.5.4 Shall work with and be responsive to the IP Contractor Manager as the International Paper representative on the project.

5.5.5 Responsible for the training of his employees, and maintenance of training records, to ensure compliance with all requirements contained in this manual.

5.5.6 Ensure that all contractor and subcontractor employees understand English and be able to effectively communicate in English.

International Paper will consider requests for a waiver on a case-by-case basis and such a waiver will only be granted in writing by Loss Prevention upon the provision of some other effective means of communication by the contractor or subcontractor

5.5.7 The contractor supervisor shall continuously audit contractor personnel to identify and correct violations of established IP safety policies and procedures, as well as applicable governmental regulations. The IP Contractor Manager may question contractor personnel to verify their understanding of applicable safety policies associated with their work activities and responsibilities, but contractor supervision is accountable for training personnel and enforcing site policies.

5.5.8 Submit safety improvement plan, if a selection criteria is not met.

6.0 Safety Program Administration

6.1 Contractor Selection

6.1.1 Inquiries for contractor services will be made only after review of the job, and manpower availability, have been conducted between the IP Contractor Manager and the IP production and maintenance supervisors. After mutual agreement that IP maintenance will not perform the work, contractor involvement will be pursued.

6.1.2 Upon submittal of proposals to perform work for International Paper - Franklin, several factors will be evaluated to determine the successful bidder, including cost, schedule, and safety performance. Review of the following criteria will determine the acceptability of the safe-work ethic which has historically been demonstrated by the contractor:

6.1.2.1 The IP Site Contractor Coordinator will obtain and review the contractor's written safety program and experience modification and injury/illness rates, as appropriate, and assess the contractor's suitability to work safely at the Franklin mill site. As a minimum, however, the contractor must comply with governmentally and contractually imposed safety requirements.

6.1.2.2 References from past customers for which the contractor has performed work will be obtained by the IP Purchasing Department, if necessary, to assist the Site Contractor Coordinator assess past performance on similar work activity.

6.1.2.3 The Purchasing Dept. and IP Site Contractor Coordinator will utilize information identified in items above to evaluate whether or not the contractor personnel have the required knowledge, skills, abilities, and certifications, as required, to safely perform tasks associated with the project in accordance with contractual requirements.

6.2 Contract Requirements

6.2.1 No contractor should be allowed to work on the premises without a signed contract governing the work unless securing a signed contract in advance is impossible due to the emergency situation. In these cases, a signed contract should be obtained as soon as possible. Also, if not already on file, a certificate of insurance coverage (Worker's Compensation and General Liability) should be obtained prior to the contractor beginning work. The contract may take the form of a purchase order, blanket purchase order, a purchase order for construction, or a construction contract.

6.2.2 Contractors are required by the contract to comply with all applicable government regulations and International Paper Safety & Health procedures. All contracts will be issued in conformance with the current Purchasing Policy and Procedure Manual (contract requirements are outlined under Tab #18) and other applicable International Paper policies.

6.2.3 A prerequisite for contractor activity is the receipt, review, and acceptance (using the signature letter distributed by the IP Purchasing Department) of this manual. No work can be performed at the Franklin mill site until the "Contractor Acceptance Signature Letter" has been completed by the contractor and received by International Paper's Purchasing Department (see appendix).

6.3 Pre-Work Safety Meeting

6.3.1 Before a contractor begins work at this site, a pre-work safety briefing must take place between the IP Contractor Manager and an appropriate level of the contractor's management to discuss the safety aspects of the work. Subjects to be covered at this meeting are contained in the "Contractor Safety Management Document" in the EHS files on the mill computer network. This meeting must include viewing of the Safety Orientation video if the contractor management representative has not viewed the video in the previous six months. The contractor is responsible for conveying the information from this meeting to his personnel.

6.3.2 For blanket purchase orders, the role usually played under conventional contracting conditions by an IP Contractor Manager may be handled initially and reviewed on a six month basis by the original "author" of the blanket purchase requisition, or in the case of a requisition written by a department manager, that manager's designee. (The author or designee shall be identified by name on the purchase order.)

Any IP individual making a call for contracted service work, must provide the contractor with a name and means of contact, or in case of shift supervision a "unit number" that will be the contractor's initial contact when specific job orientation or instruction is required.

6.3.3 The contractor is responsible for his employee's safety and safety performance.

6.3.4 A contractor representative with safety responsibilities shall be available, on-site at all times. Contractors with less than 30 employees (total all shifts), safety responsibilities may be assigned as a collateral function to an individual with supervisory responsibilities. Contractors with 30 or more employees (total all shifts) onsite, a dedicated full-time person with safety responsibilities shall be designated by the contractor.

6.4 Safety Rules and Procedures

6.4.1 Contractors working at this facility must follow the applicable International Paper Safety & Health rules and procedures. This is to help ensure the safety of the contractor's, as well as International Paper's, employees. Contractors not following these rules and procedures may be subject to removal from the job site and exclusion from the approved Bidder's List.

6.4.2 IP employees observing violation(s) of safety rules and procedures by contractor personnel may directly intercede with the affected persons in cases of imminent danger of serious physical harm, but in all cases are encouraged to report discrepancies to the contractor supervisor, IP contractor manager, or IP Site Contractor Coordinator for resolution.

6.4.3 The safety rules and procedures which contractors must follow are contained in the International Paper- Franklin Mill's Contractor on Premises Procedures Manual. The rules and procedures described in this manual are in addition to any and all applicable governmental regulations governing contractor activities.

6.5 Chemical & Process Hazards

6.5.1 International Paper must provide contractors with access to current Material Safety Data Sheets (MSDS) for hazardous substances which contractor employees are likely to encounter while on our premises. The contractor must then train his own employees as to the hazards of these chemicals and the site labeling system.

6.5.2 The contractor must provide International Paper with a list of all chemicals and their MSDS's which he will use at this site. This list of chemicals must be approved in accordance with the Chemical Management Policy. International Paper employees that may have contact with the chemicals must be given appropriate hazard communication training regarding those chemicals.

6.6 Contractor Training

6.6.1 The contractor shall ensure that all employees working on site have been trained in the policies and procedures of this mill. Training shall consist of, at a minimum, a review of the information discussed with the IP Contractor Manager at the pre-work safety briefing described in Section 6.3.1. Contractor Safety Briefing documentation shall be presented to the IP Contractor Manager before the contractor begins work on site. Other training documentation shall be presented to the IP Contractor Manager upon request.

6.6.2 Contractors shall train their employees in the following areas:

- Work practices to safely perform their job tasks.
- Hazards associated with the work activity.
- Known hazards of the process they will be working on, as provided by International Paper.
- Applicable sections of the Emergency Management Plan (Identification, Communication & Evacuation).

6.6.3 All training shall be documented by the contractor. The documentation of this training will include the name of the employee and the date of training. The documentation will also include the means used to verify that the employee understood the training. This documentation must be provided to the IP Contractor Manager upon request.

6.7 Contractor Safety Audits

6.7.1 The IP Contractor Manager shall monitor the contractor's compliance with site safety & health policies by conducting job site audits. At a minimum, these audits will occur on a weekly basis (for all jobs exceeding 2 calendar days) and shall be documented. These audits shall be retained by the IP Contractor Manager, at least, until the completion of the project to help evaluate whether the contractor has fulfilled their obligations under this procedure. Audit reports shall be forwarded to the Site Contractor Coordinator.

6.7.2 All safety violations noted during audits shall be immediately communicated to the on-site contractor supervisor for corrective action.

6.7.3 Contractor management must also monitor their own employee activities throughout the duration of the project to ensure compliance with applicable safety & health procedures.

6.8 Use of International Paper Equipment

All necessary equipment, tools, and supplies must be provided by the contractor. No International Paper items will be used without specific authorization. In those cases where equipment is provided by International Paper, it will be the responsibility of the contractor to ensure that his employees are properly trained in the use of that equipment and that the equipment is in good working order when received and is maintained in good working condition. Contractors will provide the IP Contractor Manager with proof that employees have been trained on the proper use of the equipment and that their understanding of the training has been verified. On certain equipment (e.g., house cranes, hoists), IP personnel may verify the contractor's understanding of the use/operation of the equipment. The department superintendent (or his designee) of the area that owns the equipment must approve the use of IP equipment.

6.9 Incident Reporting

6.9.1 Contractors must immediately report to their International Paper Contractor Manager any incidents or near misses involving personnel, property, equipment, or release of hazardous chemicals.

6.9.2 The IP Incident Investigation form shall be utilized to conduct a formal investigation within 48 hours of the incident for injuries & illnesses requiring medical attention beyond simple 1st Aid (OSHA Recordables). Investigations may also be conducted for Near Misses, 1st Aid Cases with potential for severe injury, property damage, or process interruption, as the discretion of International Paper.

6.9.3 The IP Contractor Manager shall promptly notify Loss Prevention of contractor injuries and illnesses so that they may be accurately recorded on the Contractor Injury Log.

6.10 First Aid and Medical Care

6.10.1 As a matter of courtesy, the International Paper Medical Department will upon request provide First Aid for minor injuries. The Medical Department is staffed at all times when the mill is operating.

6.10.2 Treatment of contractor first aid cases by the International Paper Medical Department is a privilege. All contractor employees must first notify the contractor supervisor, who in turn must notify the International Paper Contractor Manager before first aid will be administered.

6.10.3 Injuries and illnesses requiring the services of a physician will be directed to the Emergency Room of the Southampton Memorial Hospital or to a doctor's office. Authorization for such referral must be obtained from the supervisor of the injured or ill person except when an emergency would preclude this action.

6.10.4 Except in an emergency situation, International Paper will not provide transportation of non-International Paper employees to the hospital or doctor's offices. Should an emergency dictate the immediate transportation of these employees by International Paper personnel, specific information will be given to the hospital or doctor in regard to the Contractor who is responsible for the injured or ill patient.

6.10.5 In case of severe injuries the Main Gate (4777) should be called and instructed to call the Rescue Squad in accordance with the established procedure for such injuries.