



## **AGS AUTOMOTIVE SYSTEMS**

### **RULES, REGULATIONS AND GENERAL SPECIFICATIONS FOR SUB CONTRACT WORK**

All Contractors working on the premises of A.G. Simpson Automotive Inc. or A.G. Simpson (USA), Inc., (as the case may be "the Owner") must abide by the following Rules and Regulations:

#### **1. PROJECT LEADER:**

**1.1** For each Contractor conducting work on the Owner's premises, one of the Owner's employees will be designated Project Leader.

#### **2. VISITORS' PASSES:**

**2.1** Access to the site will be limited to the hours between 7:00 am - 6:00 p.m. Monday to Friday. Special arrangements may be made through Project Leader for personnel to be admitted to the site outside these normal hours. A list of the names involved is to be presented to Owner's Security by the Contractor. Upon arrival at the Plant, Contractor shall contact the Plant security, the shift supervisor, or the health and safety coordinator in order to gain access to the worksite.

**2.2** Visitors' passes must be obtained from the Project Leader before commencing work. These passes must be worn by Contractors' personnel at all times while on the Owner's premises.

At the end of each daily work-shift the passes must be turned in to Plant Security. Thereafter, all Contractors' personnel must obtain a pass from Security at the beginning of each work-shift, and must turn the pass in to Security at the completion of each work-shift. All Contractors' personnel must sign in and out with Security on entering or leaving Owner's premises.

**2.3** Contractors working on time and material: Any Contractor who has been hired by A.G. Simpson Automotive Inc. to do work on time and material is required to obtain daily time cards from the Project Leader. These cards must be punched in and out at the start and finish of each shift and at the beginning and end of lunch and dinner breaks. The time cards must remain in the time card rack designated by the Project Leader while in the plant. At the end of the shift, all Contractors' employees will punch out, have the cards signed by the Project Leader, and hand in the signed cards to the security office when exiting. At any time Contractor's employees leave the plant they must punch out their cards and hand them in to the security office where they will remain until the employees re-enter, punch in, and return to the job site. For facilities that do not have time clocks, contractors are expected to sign in and out on the contractors' log. The same rules apply.

**2.4** The Contractor must supply a list of the names of his employees and Sub-contractors to the Project Leader prior to start up of work. Contractors' employees and Sub-contractors, while on the premises, and in addition to the visitors' passes, are required to be visually identifiable through use of clothing elements such as hard hats with logos, coveralls with logos, company uniforms, etc.



2.5 Strict plant security is to be maintained at all times. Cameras and other recording devices are forbidden on site without prior approval.

3. **EMERGENCY PROCEDURES:**

3.1 In case of fire, pull alarm. (Note: Oshawa facility – contact Security immediately) Follow the facility’s emergency procedures, which will be covered during the orientation.

3.2 To obtain assistance, call the applicable telephone number:

Scarborough	Security	(Extension 2262 or 2263)
	Emergency	911
	Wells Fargo Alarms	416-962-3301
	First Aid	Extension 2245
Windsor	Emergency	911
Oshawa	Fire Department	905-433-1234
	Police Department	905-579-1234
	First Aid	Extension 6205 or 6202
Cambridge	Emergency	911
Shreveport	Emergency	911
	First Aid	Extension 24
Sterling Heights	Emergency	911

The Contractor shall supply the applicable telephone number(s) to each of his on-site employees and/or Sub-contractors.

3.3 In the event of an emergency evacuation, leave the building immediately through the nearest exit. Circle the plant and report at the entrance. Proceed to the designated reporting area as instructed during the orientation.

4. **ENVIRONMENTAL / HEALTH & SAFETY:**

4.1 All Contractors' and Sub-contractors' personnel must abide by all Environmental / Health & Safety regulations while on the Owner's premises. Failure to do so may result in the Contractor’s and/or Sub-contractor’s personnel being removed from, or refused entry to, the Owner’s premises. Such personnel will be responsible for familiarising themselves with the rules and regulations, as they exist from time to time. If deviation from the Owner’s procedures is required or anticipated, this must be brought to the Project Leader’s attention and approved by the Health & Safety Department prior to beginning work. Copies of the Contractor’s procedures may be requested for review.

4.2 Before any work onsite may begin, the Contractor’s personnel and Sub-contractor’s personnel who will working on site must be made available for an orientation meeting with the plant Environmental / Health and Safety Department. This meeting will be arranged by the Project



Leader and should occur in a reasonable amount of time prior to the beginning of the work to allow for follow up on any required items without delaying start up of the job.

During the orientation the Contractors' and subcontractors' personnel will be asked to show proof of applicable training or qualifications (i.e. electrician's license, gas fitter's license, welder's ticket, confined space entry training, WHMIS, aerial equipment operation, etc.). Specific hazards and precautions / controls involved will be identified. Plant rules, regulations and applicable procedures will also be covered. All persons attending the orientation are expected to comply with the requirements.

- 4.3** In cases where the contractors' employees will be working on site on a continuous or prolonged basis and the nature of the work does not change, the contractors' employees will be required to attend an refresher orientation on an annual basis, or sooner if there are changes to the job, process, equipment or facilities that may affect their health or safety. E.g. Cafeteria staff, security staff, grounds maintenance, uniform service, consultants, etc

In cases where the service contracted involves a process that does not change but the employees performing the service is not consistent, such as delivery of bulk chemicals, hazardous waste removal, or parts pick up or delivery, the contractor is responsible to attend the orientation and convey the required information to his employees.

Records of the orientation must be kept on the Owner's premises.

- 4.4** Spark proof tooling must be used and absolutely no welding, grinding, cutting or smoking is allowed in a paint area.
- 4.5** All oxygen and acetylene bottles are to be handled in a safe manner in accordance with all applicable laws and regulations (including in the case of the handling of such bottles on the Owners' premises in Ontario, with R.R.O. 1990, Reg. 851, s. 49), are to be stored in an upright position, and when empty, promptly removed from the Owner's site by the Contractor at the Contractor's expense.
- 4.6** All canvas tarpaulins used for any purpose in or around a building or work area shall be chemically treated to render them fire-resistant.
- 4.7** All ladders, hoists, temporary stairs, barricades, machinery, fire extinguishers, etc., shall comply with regulations of all authorities having jurisdiction and with those of the Owner. Ladders are not to be aluminium.
- 4.8** Proper barriers, railings or covers must be provided for all excavations, floor and roof openings, manholes, platforms, floor obstructions and overhead dangers from equipment/facility installations. Outside excavations must be marked with red or flashing lanterns during darkness. Adequate shoring must be provided in all excavations exceeding (4) feet. Heavy equipment must be kept back from edges of excavations.
- 4.9** All Contractors shall adhere to normal safety regulations by requiring all personnel to wear hard



hats, safety glasses with side shields, safety shoes or appropriate safety clothing to protect their employees while on the Owner's premises.

- 4.10** Contractor's employees entering the factory area to use washroom facilities, vending machines, water fountains or for any other reason must wear safety glasses certified to CSA Z94.3. **Such glasses are to be supplied by Contractors.**
- 4.11** Hearing protection must be provided by the Contractor for those persons entering areas designated as requiring hearing protection.
- 4.12** Strict lockout procedures must be enforced whenever work is performed on plant machinery.
- 4.13** The Contractor shall obtain, become fully familiar with and maintain on the site copies of all government and plant rules and regulations that pertain to their work, including without limitation, as the same may be amended from time to time:
- The Occupational Health and Safety Act and Regulations for Construction Projects.
  - The Environmental Protection Act.
  - Ministry of the Environment Regulations.
  - The Occupational Health and Safety Act and Regulations for Industrial Establishments.
  - The Worker's Safety and Insurance Act.
  - WHMIS Legislation.
  - Gasoline Handling Act and the Gasoline Handling Code.
  - A.G.S. Plant Environmental / Health & Safety Rules and Policies.
  - Material Safety Data sheets must be kept on the plant site with the Contractor for all chemicals in their possession, regardless of whether or not they are currently in use. The Contractor's employees must be made aware of the potential hazards of the chemicals they are being exposed to including those found within the plant.
- 4.14** Smoking, eating and drinking are not allowed on the Owner's premises except in designated areas during times approved by the Owner's Project Leader.
- 4.15** Use of all Owner's equipment must be authorized in writing by Department Supervisors and/or Project Leader.
- 4.16** All tools and equipment brought into the plant by the Contractor must be in safe operating condition and must be guarded to protect the user and those in vicinity of the equipment.
- 4.17** Contractors work site and equipment will be subject to safety audits by the Project Leader or the Owner's designate.
- 4.18** The Contractor must obtain advance authorization for the storage and use of all chemicals and hazardous substances on site. Material Safety Data Sheets for all chemicals/materials must be provided to the Project Leader prior to being brought on site. All chemical containers must have WHMIS labelling identifying the product and potential hazards.



- 4.19 Explosive materials are not permitted on site without prior written authorization by the Project Leader.
- 4.20 The Contractor will write up reports for all serious accidents, injuries, and communicable illnesses occurring on the plant site while working. Copies of completed standard **WSIB** forms (in the case or work on the Owner's premises in Ontario) must be forwarded to the Project Leader.
- 4.21 All critical injuries (as defined by the OHSA, in the case of injuries occurring in Ontario) must be reported immediately to the plant Health & Safety Department.
- 4.22 Nothing herein shall relieve the Contractor of his responsibility by law or Contract for the safety of his/her employees and other persons under his/her charge.

## 5. **CONDITIONS OF CONTRACT**

- 5.1 The Contractor shall not assign any portion of this Contract to a Sub-contractor without prior written approval of the Owner. The Contractor shall remain responsible for all terms and conditions and other requirements relating to the work. Contractor shall indemnify and hold AGS harmless from and against any liability, loss, demands, damages, claim, costs or expenses (including legal costs) arising from any claim by any Subcontractor under any mechanics', construction or repairmen's' lien statute as a result of services performed or materials supplied by such Subcontractor in connection with the work required to be performed.
- 5.2 The Owner shall be under no obligation nor shall it accept any responsibility for any damage caused by any employee or Sub-contractor of the Contractor or by the Contractor's or any of his Sub-contractor's equipment or vehicles, while on the Owner's premises.
- 5.3 The Contractor shall provide all tools, cutting and welding equipment, scaffolds, ladders, staging, hoisting and transporting machinery, required for the safe performance of his work. These tools and/or equipment must be signed in and out with Plant Security. The Contractor is not to lend or borrow tools from Plant Personnel. The use of gasoline or diesel powered equipment within the plant must be approved in advance by the Project Leader. Appropriate outside exhaust must be provided for fumes. Equipment is not to be placed or stored outside the building without prior approval from the plant Environmental Co-ordinator.
- 5.4 The Contractor must obtain a "Hot Work Permit" from the Maintenance Supervisor or designate prior to welding or torch cutting on plant property. All reasonable care must be exercised by the Contractor in welding and torch cutting operations, to protect the property, equipment, materials and personnel in surrounding areas. Without limitation, welding curtains must be provided and used by the Contractor during all welding operations. Welding to building steel shall not be permitted.
- 5.5 Where entry into confined spaces is required, the Contractor must obtain a "Confined Space Entry Permit" from the Maintenance Supervisor or designate prior to entry. Rescue procedures and



equipment are the responsibility of the Contractor.

- 5.5 It shall be the duty of the Contractor (and his Sub-contractor) to keep the building and adjoining premises free, at all times, from accumulations of waste rubbish generated by its employees. The Contractor shall remove all such debris or rubbish and leave its work and the premises clean, to the complete satisfaction of the Owner. Failure to abide by this may result in back charges from the Owner for cleanup done by a third party.
- 5.6 The omission from specifications of any minor detail(s) of standard practices, the use of specialized equipment, or the transportation of scrap materials, shall not relieve the Contractor of responsibility in regard to same and such omissions shall not entitle the Contractor to make claims for extras on equipment or labour.
- 5.7 All Engineering work (calculations, drawings, etc.) necessary for the completion of work performed in the Contract, becomes the property of the Owner and all copies of same must be supplied to the Owner before the Contractor's invoice will be passed for payment.
- 5.8 Contractor is responsible for compliance with local, provincial and federal regulations, and for obtaining appropriate certification of same. Copies of inspection approval to ensure the compliance must be supplied to the Project Leader before final acceptance.
- 5.9 Contractors shall assume full responsibility and liability for the action of his employees, Sub-contractors, Sub-contractor's employees, agents, material suppliers, visitors, etc. with no limitation and are responsible to explain to them the instructions and requirements contained herein and effectively monitor and ensure compliance to same.
- 5.10 The Contractor must maintain at all times, good housekeeping practices and comply with all clean up orders. Failure to abide by this may result in back charges from the Owner for clean up done by another party.
- 5.11 The Contractor is responsible for the safe handling and removal of wastes from the site as outlined by the Waste Management Section of the Ministry of the Environment Regulations. Any work that may generate hazardous waste must be pre-approved by the Environmental Co-ordinator to ensure proper disposal methods. Failure to do so will result in back charges from the Owner for clean-up and removal by another party.
- 5.12 Photographs on site or publicity due to Contract work, advertising or promotional material related to the plant is not permitted without specific written permission from the Owner.

## 6. **INSURANCE:**

- 6.1 As a condition of this Contract, each Contractor must provide to the **OWNER**, before any work commences on the project, the following:
  - (i) A certificate of clearance with the Workers' Safety and Insurance Board



- (ii) A certificate confirming public liability and property damage coverage of at least \$5,000,000.00 is to be provided on a letterhead of the Contractor's Insurer or Broker/Agent. The certificate must include the following information:
- a) Underwriter/issuer of policy
  - b) Policy #
  - c) Expiry date
  - d) Type of policy
  - e) Description of policy
  - f) Limit of coverage and deductibles
  - g) Purchase order #
  - h) The name, date, signature and title of the broker/agent

(iii) Proof of road vehicle insurance coverage, at least to the levels required by law.

**6.2** Before any of the above coverage's lapse or diminish below specified minimum levels, the Contractor must provide replacement certificates evidencing continued acceptable insurance. Failure to do so will entitle the Owner to terminate the Contract.

**6.3** No Contractor's invoices will be processed for payment unless the required certificates are received by the Owner.

## **7. LABOUR DISPUTES:**

**7.1** The Owner reserves the right to terminate this agreement when, in the sole opinion of the Owner, a labour dispute between the Contractor and his employees (or some labour organization) or between a Sub-contractor of the Contractor and the Sub-contractor's employees (or some labour organization) may result in such delays in the work as would prevent completion on schedule.

**7.2** In the event of a termination of the Contract in accordance with these terms, the Owner shall have the right to complete the remainder of the work in whatsoever manner he deems suitable. All additional expenses incurred as a result by the Owner shall be deducted from the Contract price.