

Borg-Warner Transmission Systems Bellwood Facility
Safety Management Systems Manual

This agreement is made between the BorgWarner Transmissions Systems Bellwood Facility (BW) and the contractor noted below who will on occasion hereafter enter into agreement(s) for services to be performed by Contractor.

In signing the first page of this agreement Contractor agrees to assume full and total responsibility to enforce all applicable BorgWarner Transmissions Systems Bellwood Facility safety rules and all safe work practices that may be required in connection with the work to be performed. To that end, Contractor agrees to:

1. Inform its employees, agents, and sub-contractors (Contractors Personnel) of all applicable safety rules.
2. Ensure that all of contractors personnel will conform to such safety rules and practices while on BW premises.
3. Take all necessary precautions and furnish all safety devices and equipment necessary to enable Contractor(s) Personnel to perform all work in a safe manner without accident or injury.
4. Contractor will remove from the premises those persons who conduct does not conform with the established safety rules and practices.

Contractor further agrees to indemnify and hold harmless BW from any, and all, claims of damages to the property of, or injuries (including death) to, BW, its employees, or any other person resulting from failure of Contractor's Personnel to perform all work in a safe manner, as prescribed by this letter agreement.

In signing this agreement, contractor acknowledges he has reviewed and now agrees to comply with all applicable safety rules and regulations including, but not limited to, those programs established at the BW herein listed and the General Terms and Conditions found on the following pages.

- * Submitted proof of contractor=s current general liability insurance
- * ISO Awareness
- * OSHA Regulations (Lockout / Tagout, Confined Space Entry)
- * Underground Utility Hazards
- * Hot Work Permit
- * Construction
- * Personal Protection

Acknowledged and agreed to by:
 Contractor Name: Avant Environmental BW Contact Name: _____
 Contractor=s Contact (print) Bob Venezia BW Contact Signature: _____
 Contractor Signature: Bob Venezia Date: _____
 Phone Number: 419-570-2862 x-203

Instructions: Submit this signature page along with proof of current general liability insurance to the Purchasing Department at the BorgWarner Transmissions Systems Bellwood Facility.

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SAFETY AGREEMENT

WHEREAS, BorgWarner Transmissions Systems Bellwood Facility (BW) and Contractor desire that all services be performed in such a manner as to eliminate causes of personal injuries, accidents, and perform work in compliance with applicable OSHA and EPA law and BorgWarner Transmissions Systems Bellwood Facility policy and procedure.

NOW THEREFORE, in consideration for entering into such Service Contracts, the parties hereby agree as follows:

I. General Terms and Conditions

- A. Contractor assumes full and total responsibility for enforcing all applicable safety rules, as well as any other unlisted safety rules and good safety practices that might be required in connection with the work Contractor is performing.
 - 1. Contractor shall inform its employees, agent, and subcontractors (Contractors Personnel) of all applicable safety rules and practices.
 - 2. Contractor shall ensure that all of Contractors Personnel will conform to Such safety rules and practices while on BW premises.
 - 3. Any of Contractor's Personnel who conduct does not conform to the safety rules and practices shall be required to leave BW premises.
- B. The safety rules contained herein are not intended to be all inclusive and are to serve as a minimum, as a guide for Contractor. Contractor shall take all necessary precautions and furnish all safety devices and equipment necessary to enable its employees, agents, and subcontractors (Contractor's Personnel) to perform all work in a safe manner without accident or injury.
- C. Contractor shall furnish proof of insurance for worker liability, and property damage. All of Contractor(s) Personnel shall at all times, and at the expense of Contractor, be covered by a blanket fidelity bond in the amount of at least one million dollars (\$1,000,000). Contractor shall furnish proof of such coverage acceptable to BW before any work is started.
- D. Contractor hereby indemnifies and holds harmless BW from any and all claims of damages to the property of or injuries (including death) to BW, its employees, or any other person resulting from failure for Contractor(s) Personnel to perform all work in a safe manner as prescribed by this Agreement.
- E. This Agreement shall continue until terminated and the requirements herein shall be

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applicable to any and all current and future Services Contracts entered into by and between BW and Contractor, whether or not explicitly incorporated into such Services Contractors.

1. In the event of a conflict of terms between this Agreement and any such Service Contracts, the terms of the Service Contracts shall prevail.
2. The Agreement may be terminated by Contractor only following completion of any outstanding service contracts.

II. Safety Rules

A. Personal Protection

All of Contractor(s) Personnel must wear safety glasses with side shields and hearing protection as required when inside BW building and whenever the work in which they are engaged requires safety glasses and/or other safety/protective equipment for their own safety while on BW premises.

B. OSHA Regulations

Contractor shall comply with all regulations set by the Occupational Safety and Health Administration, as such regulations may apply to the work being performed by contractor or the work site, including but not limited to regulations regarding required permits for confined space entry and lockouts/tagouts.

C. Hot Work Permit

1. A written permit must first be obtained from an authorized person (Maintenance, Plant Engineering, Safety Department) before welding or cutting is commenced at each separate location on BW.
2. Protect all persons from the flash of electric welding whenever possible.
3. All electric welding machines must be equipped with standard electrical equipment to fit the outlets existing on BW premises. Temporary electrical hook-ups will not be permitted unless made by a BW electrician.
4. Acetylene and oxygen cylinders must be protected against tipping by use of standard portable welding carts, to which the cylinders must be secured. If portable welding carts are not immediately available, the cylinders shall be secured to a stationary object of sufficient strength to hold the cylinders. Unless the valve is protected by a recess in the cylinder is not connected for

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use. Each set-up must be accompanied by the proper equipment to shut off the valves in case of an emergency.

5. When not in use, fuel gas cylinders must be removed to an approved outside storage area.

D. Construction

1. All excavations shall be provided with suitable barriers or railings, plus adequate warning lights or other devices.
2. All necessary precautions shall be taken to protect all persons in any area when work is being performed either overhead or at floor level. Guards or other adequate protection must be provided whenever holes, inserts, bolts, or other hazards are left in, on, or above the floor.
3. Overhead work must never be done over any person or over any area where people and/or trucks are moving, without first protecting the area around and underneath where the work is being performed.
4. Areas in which is being performed must be kept clean, orderly, and safe. Combustible materials and other debris must be removed from the plant at the end of each working day by the Contractor.
5. All equipment being used by the Contractor, such as hand tools, trucks, etc., must be kept in safe operating condition.
6. Loose materials such as bolts, nuts, hand tools, etc., must not be left lying on beams, ledges, or any place from where they could fall or be knocked down to cause damage or injury. They must be immediately removed to the floor level.
7. Machine guards removed while making alterations or repairs on equipment must be replaced before the equipment is turned back to production.
8. Written approval of the P.E. Department must be obtained before any tools utilizing a power cartridge can be used on BW premises. The P.E. Department will designate an engineer who must be present during usage of such tools.
9. All materials including, but not limiting to, grease, oil, or paint, etc., which are spilled shall be removed from the floor or other place immediately.
10. When an opening is made in the roofs or walls of a building, the inside of the building must be protected from weather conditions until the opening is

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reclosed.

E. Underground Utility Hazards

1. The Safety/Maintenance Department must approve, before starting, any excavating, driving of objects into the ground or through floors, to the hauling or dumping of heavy loads to assure that no underground utility or service such as power cables, sewers, or fire lines, etc., are in the area.
2. Hand excavation must be used to locate underground service in the area before proceeding with mechanical means.
3. Clearance from the Maintenance/Engineering Departments must be obtained before shutting off any utility or service.
4. Permission from the Maintenance/Engineering Departments must be obtained in writing before shutting off or placing out of service and fire protective device or service.

F. Leaving Job Before Completion

When it is necessary to leave the job before completion, all material, rigging, boards, loose nails and other debris must be carefully removed from the floor. There shall be no materials or equipment left overhead or on the roof unless it is secured in place. Adequate barricades and warnings must be erected at all openings, excavations and obstructions. If a crane is being used, the boom must be lowered to the ground prior to leaving the job.

G. Miscellaneous

1. All scaffolding and unused material must be removed for trusses, roof, platforms, and floor to a designated place outside the building as soon as their use is completed.
2. All Contractor's Personnel will be required to sign in and out at the guard house on arriving and leaving daily. BWA Bellwood departments reserves the right to inspect all incoming and outgoing vehicles, packages, bags, boxes, tool boxes, etc. This is for the protection of both the Contractor and BW .
3. Contractor's personnel are to park in the parking area for BW hourly employees. If it is necessary to haul in tool to a specific area, clearance must be obtained from the guard of duty. After unloading, the vehicle must be

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returned immediately to the hourly employee's lot.

4. Business agents representing Contractor's Personnel must contact and obtain permission from supervision in charge of the area where such employees are working before being allowed to enter the plant on any matter.
5. Contractor Personnel shall not move any BW equipment, including, but not limited to, machines, cranes, tractors, or fork trucks. The BW supervisor must be requested to have such equipment moved.
6. Trucks or other vehicles being operated on BW premises must be operated safely at all times by Contractor's Personnel who are properly qualified to operate such vehicles, and stored in authorized places as directed by the P.E. Department.
7. All ladders shall be in good condition and shall be equipped with ladder safety shoes when used in buildings. Contractor's Personnel will not be permitted to use BW ladders.
8. BW reserves the right to inspect all equipment used by Contractor's Personnel and to prohibit the use of any equipment judged by its Safety Department to be unsafe. BW also reserves the right to stop work on any job being performed in a manner deemed unsafe by its Safety Department.
9. Contractor's Personnel shall follow all instructions of BW Safety Department in the event of an emergency evacuation of the premises.

III. ISO Awareness

- A. Contractor shall complete ISO Awareness Training contained within this document and communicate this information to all applicable personnel within their organization. Completion of this training will be certified with signature of the Contractor Safety Agreement.

A. ISO 14001 Overview

The BorgWarner Bellwood facility has an established Environmental Management System (EMS) based on the standards of ISO 14001. All work and activities conducted by contractors at the Bellwood facility will be compliant with applicable environmental laws and regulations and EMS policies, as specified in the Borg Warner Bellwood EMS manual.

B. Responsibilities for all BW Contractors:

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1. Understand the BW Environmental Policy. The EMS Manual, which can be provided upon written request, contains the Environmental Policy of the BW facility. A condensed version of the policy, which is stated below, is posted throughout the facility.
 - Comply with applicable environmental laws and regulations.
 - Identify potential environmental aspects and impact.
 - Commit to continuous improvement and prevention of pollution.
 - Integrate environmental planning and management into business.

2. Understand the environmental aspects and potential impacts of your activities. Aspects are "elements" of your work activities, products, or services that can impact or interact with the environment.

Several significant environmental aspects (SEAs) have been identified for the Bellwood facility in response to the procedures contained within the Bellwood EMS manual. Environmental Process Control Plans (EPCPs) have been developed and implemented for each SEA at the BW. All work conducted by contractors relating to an SEA must be compliant with applicable procedures and restrictions associated with the corresponding EPCP. Contractors must be aware of the potential consequences of departing from specified operating procedures.

3. Understand what to do if an emergency situation arises.

4. Consider environmental benefits of improved personal or operational performance. All work conducted by a contractor at the Bellwood facility will be performed in an environmentally responsible manner.

5. Understand and implement proper waste management procedures and instructions. All wastes generated by a contractor shall be removed daily and properly disposed by the contractor, complying with all applicable laws and regulations.

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