

ARMCO STEEL CORPORATION

GENERAL OFFICES · MIDDLETOWN, OHIO 45042



August 28, 1969

McGraw Construction Company
P. O. Box 369
Middletown, Ohio 45042

Gentlemen:

We now have a Standard Performance Contract (Number 183 dated October 27, 1958) and a Cost Plus Agreement (Number 2 dated August 27, 1969) with your company. Since the Cost Plus Agreement concerns only work performed on a cost plus basis and since, in lieu of this, it supercedes and takes precedence over the Standard Performance Contract in those situations, we ask that your certificate of insurance which heretofore made reference to only the Standard Performance Contract be altered to read as follows:

"It is agreed that this insurance specifically covers the liability assumed by the insured under contracts with Armco Steel Corporation numbered 183 dated 10/27/58 and #2 dated 8/27/69."

Thus, you will be covered for any type of work performed on Armco property, whether it be cost plus or otherwise.

Please have your insurance carrier submit a new certificate of insurance referencing both of the above mentioned contracts.

Your assistance in having your insurance carrier submit this certificate promptly will be appreciated.

Very truly yours,

ARMCO STEEL CORPORATION

H. K. Campbell
Buyer

HKC/ljg

McGCon 2322

ARMCO STEEL CORPORATION

GENERAL OFFICES · MIDDLETOWN, OHIO 45042



August 21, 1969

McGraw Construction Company
P. O. Box 369
Middletown, Ohio 45042

Attention: E. D. Levey
President

Subject: Construction Contract

Dear Sir:

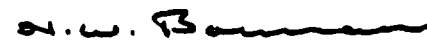
Attached are two (2) copies of the new Cost-Plus-Fee Construction Agreement for your files which have been signed by both parties and will become effective August 27, 1969.

Copies of this contract are being distributed to interested personnel within the Armco organization and all changes to this contract will be made in the form of written amendments agreed to between the parties through Armco's Purchasing and your President's offices.

We sincerely appreciate your efforts and fine spirit of cooperation through these negotiations which should permit the continuance of the excellent relationship between our two firms.

Very truly yours,

ARMCO STEEL CORPORATION


H. W. Borneman
Manager - Construction Purchases

HWB/ljg

McGCon 2329

ARMCO STEEL CORPORATION
COST-PLUS-FEE-AGREEMENT

This agreement, made this 27th day of August, 1969, by and between Armco Steel Corporation, an Ohio Corporation, whose principal office and place of business is in Middletown, Ohio, hereinafter called "Armco", and McGraw Construction Company, an Ohio Corporation, whose principal office and place of business is in Middletown, Ohio, hereinafter called "Contractor".

Contractor is engaged in the business of contracting for and the performance of General Construction Contracting, hereinafter called the "Work". Contractor shall perform such Work at Armco as may be directed by Armco's authorized personnel and confirmed by a purchase order to Contractor as hereinafter set out.

I SERVICES TO BE RENDERED

- (A) This agreement covers Work to be performed by Contractor on a cost-plus-fee basis only.
- (B) Contractor, in the performance of the Work, shall act as an independent contractor and not as agent or employee of Armco except that Contractor shall be and act as Armco's agent in performing any services which Armco directs, in writing, Contractor to perform as Armco's agent.
- (C) Contractor will perform the Work with its own forces subletting parts of the Work when it is to the advantage of Armco to do so but subject to Armco's prior written approval, and turn the completed Work over to Armco ready for regular use. Armco may perform or have any part of the Work performed by other contractors pursuant to a contract made or purchase order placed directly by Armco with other contractors. In such event Contractor shall be responsible for the coordination of the activities of such third party with the balance of the Work.

SERVICES TO BE RENDERED (continued)

- (D) Contractor will give to Armco, and keep current, copies of local union agreements covering those crafts that can be supplied by Contractor without benefit of subcontractors.
- (E) Contractor will furnish without reimbursement:
 - (1) The services of its officers, home office management staff, accounting and payroll services, including payroll (timekeepers) clerks.
 - (2) All field and home office office supplies, furniture and equipment.
 - (3) All small tools as defined in Attachment "B" and all consumable construction materials and workmen supplies as defined in Attachment "A".
 - (4) Tool storage and clothes changing facilities for workmen.
 - (5) All transportation for its personnel.

II GENERAL CONDITIONS

- (A) Purchase orders, or written work authorizations covering Work to be completed by Contractor will be issued by Armco to provide a proper authorization for performance of Work as described in this agreement.
- (B) Contractor shall perform the Work so as to maintain plant traffic and manufacturing operations as nearly normal as possible, assist in keeping clear walks, roadways, and railroad sidings, and shall cooperate with, and shall not in any way interfere with operations of, other contractors and Armco.
- (C) Contractor's superintendent or designated representative shall be on the premises at all times during working hours. Contractor shall enforce strict discipline among its employees and require them to observe all plant working rules and regulations.

GENERAL CONDITIONS (continued)

- (D) Contractor and his subcontractors agree to use at all times on the Work, only such labor as will in no way disturb or affect labor employed by Armco and other contractors and subcontractors working on Armco's premises. Contractor further agrees that his employees shall work in harmony with all trades, employees and other persons on the site. Contractor and his subcontractors shall fully investigate existing labor practices before making work assignments, and Contractor shall consult with Armco before such assignments are made.
- (E) All guarantees and warranties obtained by Contractor from manufacturers and vendors of equipment used in the performance of this agreement shall run to Contractor and Armco. Contractor warrants that the workmanship and materials furnished by Contractor hereunder shall be first class and Contractor shall at its cost and expense forthwith correct any error or defect in the Work performed by Contractor which is due to its negligence. Contractor makes no agreement, representation, warranty or guarantee as to the production capacity of the facilities.
- (F) All trade and cash discounts will be passed to Armco.

III SAFETY REGULATIONS

It shall be the responsibility of Contractor to adopt and enforce and require all Subcontractors to adopt and enforce, sound and accepted safety practices in accordance with those set forth and described in Attachment "C".

It is understood and agreed that such safety practices are minimum and that full compliance therewith shall not relieve Contractor from any liability assumed under Section IX.

IV REIMBURSEMENT OF EXPENSES

Contractor shall be reimbursed for:

- (1) All straight time labor cost (actual payroll base rate of crafts, full time on-site supervision and non-craft personnel as authorized by Armco). The base labor rates applicable to labor furnished by Contractor shall be in accordance with the prevailing contract rates set forth with the local construction union involved. Contractor shall notify Armco at least 30 days in advance of the effective date of any change in the labor contract.
- (2) Shift differentials and the premium portion of overtime worked. The normal work week for labor shall be 5 days per week, 8 hours per day, Monday through Friday. No overtime work shall be performed without prior written approval by Armco's authorized personnel.
- (3) Actual cost of Armco's physician, payroll taxes, Workmen's Compensation and Employer's Liability Insurance, Federal Old Age Benefits and Federal and State Unemployment Insurance pertaining to employees whose wages and salary are reimbursable under Subsection (1) above.
- (4) Employee benefit expenses specifically covered by craft union agreements pertaining to employees whose wages and salary are reimbursable under Subsection (1) above, the same to be itemized on each invoice.

In addition to the above, Contractor shall be reimbursed for the cost of vacation and holiday pay for full time on-site supervision and non-craft personnel.

REIMBURSEMENT OF EXPENSES (continued)

- (5) Actual cost of all subcontracts issued by Contractor. Each subcontract must have Armco's prior written approval.
- (6) Rental value for the actual time Contractor-owned equipment is used on the basis of 80 % of the monthly rate as published in the Associated Equipment Distributor's Annual Rental Rate Book. Equipment will be charged for on an hourly basis, only when in use, at 1/176 of the aforesaid percentage of the monthly rate. Rental rates of Contractor-owned equipment not covered in said rate book shall be charged at prevailing local rates. Contractor shall give Armco 30 days advance notice of any change in rental rates. Equipment rented by the Contractor from others will require Armco's prior written approval of both requirement and cost and will be reimbursable at actual invoice cost. Operating labor required for such equipment will be reimbursable on the basis of Subsection (1) above. Construction equipment may be furnished by Armco at its option.
- (7) Tools of special application at actual cost purchased with the prior written approval of Armco. Such tools shall be and remain the property of Armco.
- (8) Tools costing more than \$500 each on the basis of rental rates referred to in Subsection (6) above.
- (9) The actual cost of all materials and supplies other than those referred to in I(E)(3) above purchased with the prior written approval of Armco.

V FEE

Contractor's fee shall be 5% of the cost reimbursable under Section IV (5), plus 5% of the cost, exclusive of any sales tax, reimbursable under Section IV (9), plus the following percentage, computed on a calendar year basis, of the cost reimbursable under Section IV (1):

Schedule of Fees

First \$1,000,000 of cost	-	13.5%
Next \$ 500,000 of cost	-	12.5%
Next \$ 500,000 of cost	-	11.5%
Over \$2,000,000 of cost	-	10.5%

(No fee will be allowed on any materials or sub-contracts supplied by Armco).

VI PAYMENT OF WORK COMPLETED

Promptly after the end of each week, Contractor shall furnish to Armco a full detailed written statement broken down by purchase order number and work authorization number of all authorized costs incurred during the preceding week. The statement shall show Contractor's fees and be accompanied by labor distribution report, receipted bills for materials and equipment furnished, rental equipment statements, receipted bills for subcontractors, and adequate detail and proof of correctness of the statements satisfactory to Armco. It shall be presented to Armco's authorized personnel, unless purchase orders issued to Contractor specify a different mailing address. The statement will be reviewed by authorized personnel of Armco and after approval will normally be forwarded to Armco Steel Corporation, Raw Materials and Purchasing Department at Middletown, Ohio, for processing and payment. Payment by Armco shall be made promptly after the receipt of the statement. Payment does not constitute acceptance by Armco and all statements are subject to audit in accordance with Section XI.

VII PURCHASING - SELECTION OF VENDORS AND SUBCONTRACTORS

Armco Steel Corporation may furnish to Contractor a selected listing of sources for materials and subcontractors to be used for the supplying of materials and completion of work.

Contractor agrees insofar as is practical to follow Armco's requests in the selection of vendors and subcontractors.

VIII REPORT OF SUBCONTRACTORS USED

Contractor shall furnish to Armco a report by the end of the month following each calendar quarter showing the dollar payments to those subcontractors who have furnished materials and services under Contractor supervision. This report shall be cumulative for the calendar year and may be restricted to those subcontractors whose dollar totals are expected to be in excess of \$4,000 for the year. This report shall be mailed by Contractor to Armco Steel Corporation, attention of Director of Purchases, Raw Materials and Purchasing Department, Middletown, Ohio.

IX INDEMNITY AND INSURANCE

Contractor shall protect, indemnify and save harmless Armco of and from any loss, cost, damage or expense arising from:

- (A) any and all claims which may be made against Armco by reason of injury or death to person or damage to property suffered or claimed to have been suffered by any person, firm, corporation, or other entity caused by or alleged to have been caused by any act or omission, negligent or otherwise, of Contractor or any subcontractor of Contractor or of any of their employees, workmen, servants or agents;
- (B) any and all damage to Armco's property, including property occupied or used by or in the care, custody or control of Contractor, caused or alleged to have been caused by any act or omission, negligent or otherwise, of Contractor or any subcontractor of Contractor or of any of their employees, workmen, servants or agents; and

INDEMNITY AND INSURANCE (continued)

- (C) any and all claims which may be made against Armco by reason of injury or death to person or damage to property, however caused or alleged to have been caused, and even though without justification claimed to be due to the negligence of Armco, suffered or claimed to have been suffered by Contractor or any subcontractor of Contractor or by any of their employees, workmen, servants or agents.

Contractor will carry, at its sole expense, public liability and property damage insurance covering all operations and work hereunder in amounts of not less than \$100,000 for all liability arising out of injury to or death of one person and \$300,000 for all liability arising out of injuries to or death of two or more persons in any one occurrence and \$100,000 in the aggregate arising out of injury to or destruction of property. Such insurance shall specifically refer to the contract created hereby and specifically cover the liability assumed by Contractor hereunder.

Contractor also agrees to carry, at its sole expense, automobile liability insurance on all automobiles owned and hired, as well as automobile non-ownership liability insurance, in the amounts of not less than \$100,000 for all liability arising out of injury to or death of one person and \$300,000 for all liability arising out of injuries to or death of two or more persons in any one occurrence, and not less than \$100,000 for all liability arising out of injury to or destruction of property in any one occurrence.

Contractor agrees to furnish Armco certificates of such insurance which shall be in companies and in form satisfactory to Armco prior to commencing work hereunder and such certificates shall provide that ten (10) days' written notice shall be given to Armco prior to cancellation of or material change in the coverages.

Contractor and its subcontractors shall comply with all requirements of the laws of the State in which Contractor is performing the work hereunder relating to Workmen's Compensation and Employers' Liability and shall furnish evidence of such compliance as required by Armco.

X PHYSICAL DAMAGE INSURANCE

Contractor, at Armco's expense, shall carry such physical damage insurance in such amounts and forms as Armco shall direct.

XI AUDIT

Contractor's and subcontractor's operations, records and books, as to work performed or monies expended or liability incurred for reimbursable costs or expenses under this agreement, shall be kept on a recognized cost accounting basis as approved by Armco and available and open to Armco personnel or Armco's designated Certified Public Accountants for Audit or review at all reasonable times. Cost documents are the property of Armco.

XII LIENS

Contractor agrees that it will promptly discharge any and all liens for labor or material arising out of the Work hereunder or filed against Armco or Armco's property; and such part of the payment due hereunder as is necessary for Armco's protection may, at Armco's option, be withheld until Contractor shall have furnished reasonable evidence that there are no unsatisfied claims which may become liens.

Before final payment, Contractor agrees to submit evidence satisfactory to Armco that all payrolls and any and all indebtedness incurred by or in behalf of Contractor or any subcontractor, in connection with Work hereunder which might entitle any person to a lien against Armco's property, have been fully paid; and Contractor further agrees, if requested by Armco, to furnish a satisfactory bond or indemnity against all such liens or claims.

XIII SECRECY

All information relating to any process or item of a proprietary or secret nature disclosed by Armco to Contractor shall not without the written consent of Armco be used or disclosed by Contractor other than for the performance of this agreement.

XIV PLANS, DRAWINGS, ETC.

All plans, drawings, specifications, reports, and the like relating to the Work shall be the property of Armco.

XV SALVABLE MATERIAL

Any scrap steel, iron, or other salvable material resulting from the Work shall be the property of the purchaser, whether that be Armco or the Contractor. If such material is the property of the Contractor, he shall promptly, at his own expense, remove the same from Armco's property, unless otherwise agreed upon.

XVI CLEAN-UP

Daily during construction and upon completion of the Work, the Contractor shall remove all rubbish and debris caused by his operations and dispose of same in accordance with the directions of Armco. At completion of the Work, the area and buildings shall be left broom clean by the Contractor. Any remaining material or equipment of Contractor shall be removed by the Contractor to proper storage. If storage space is provided by Armco, said property shall remain at the sole risk of Contractor.

XVII PROTECTION OF CONTRACTOR'S EQUIPMENT

Contractor and sub-contractors shall be solely responsible for the protection of all equipment, materials and tools of Contractor or sub-contractors regardless of fact that said property may be stored, with Armco's permission, on Armco property and Armco shall not be responsible for loss or damage to said property from any cause whatsoever.

XVIII CHANGES IN AGREEMENT

This agreement may not be altered, changed, or amended except by an instrument in writing signed by both parties hereto.

XIX SOLE AGREEMENT

This agreement is in substitution of any and all agreements heretofore entered into between the parties hereto, and said prior agreements are hereby revoked with reference to all work starting subsequent to the date hereof.

XX AGREEMENT NONASSIGNABLE

In this agreement Armco is relying upon the competence of Contractor and therefore, Contractor agrees that this agreement may not be assigned without the written consent of Armco.

XXI OFFICE SPACE FOR CONTRACTOR'S SUPERVISION

Armco will furnish Contractor with office space, as determined by Armco, utilities and telephone to Armco switchboard, for Contractor's on-site supervision.

XXII EFFECTIVE DATE AND TERMINATION

This agreement is effective the day and year first above written and shall continue until cancelled by either party upon thirty (30) days' prior written notice to the other provided, however, that Armco will reimburse Contractor for such part of the cost of the Work as has been performed by Contractor up to the date of termination, plus stipulated fees based on such work performed.

(ARMCO)

ARMCO STEEL CORPORATION

BY:

Ward B. Browning, Jr.

TITLE: Vice President

Raw Materials & Purchasing

(CONTRACTOR)

McGRAW CONSTRUCTION COMPANY, INC.

BY:

Elliott D. Levey

TITLE: President

CONSUMABLE CONSTRUCTION MATERIALS AND WORKMEN SUPPLIESSuch As

Abrasives	Line (mason, cable, chalk)
Bags (paper, cotton, burlap)	Lugs (for welding leads)
Bands (steel for banding machine)	Mops
Blades (hacksaw, bricksaw, circular saw, rip saw, cut-off saw).	Paint Pots
Note: Blades for refractory and masonry work are not part of this list.	Paint Scrapers
Boots (rubber)	Paper (building, sandpaper)
Bricks (rubbing)	Paste (soldering)
Brooms	Pins (drift)
Brushes (wire, paint, scrub)	Pipe Joint Compound and Cement
Bucket (water and cement)	Postage
Cap Screws	Punches (hand)
Caulking Compound	Rags
Chalk	Rasps
Chisels (all types)	Rope (manila, sisal, jute, wire, plastic)
Clamps (hose)	Safety Equipment (hats, boots, gloves, goggles, raincoats, etc.)
Cleansing Powder	Sanding Discs
Cloth (emery)	Sash Cloth
Coldshuts	Soapstone
Connectors (hose)	Solder
Coolers (water)	Spray Cans (form oil, concrete, curing)
Cords (extension)	Steel Wool
Cover Lens (welding hood and goggles)	Stone (rubbing)
Crayons	Sulphur
Cups (drinking)	Taps (bolt, pipe)
Cutter (wheels)	Thread Dope
Dies (replacement for threading devices)	Tips (welders, cutting)
Drill Bits (wood, metal, and rock)	Torch (highway flare)
Engineering Supplies (stakes, tacks, flagging)	Twine (wrapping)
Files	Washers (hose, cut, lock)
Flashlights	Waste
Flints	Wedges
Flux (welding)	Wheels (abrasive)
Friction Tape	Whetstone
Friction Lighters	White Lead
Glass Cutters	Wing Nuts
Grinding Wheels	
Hose & Fittings (air, steam and garden)	
Knives (putty)	
Ladders	

Any and all items of a similar nature

TYPICAL LIST OFSMALL TOOLSLESS THAN \$500.00 VALUE EACH

Adzes	Hacksaw Frames
Allen Wrenches	Hammers
Anvils, Blacksmith	Sledge
Augers	Claw
Axes	Ball Pien
	Hammer
Ball, Headache	Air Chipping
Bars	Air Scaling
Nail	Hoists, Chain 1 and 2 Ton
Crowbar	Hoes
Bender	Mortar
Pipe	Garden
Tubing	Hooks, Timber
Binders, Load	
Blocks	Indicator
Snatch	
Tackle	Jacks
Wire Rope	Hydraulic
Boomers	Racket
Braces, Carpenter	Track
Buggies, Concrete	
	Levels
Caulking Gun	Hand
Clamps	Carpenter
"Q"	
C/S Line up 2" to 36"	Mattocks
Cutter	
Pipe 2" to 4"	Picks
Bolt	Pliers
Metal	Plumb Bobs
Cutting Rig	Post Hole Diggers
Oxygen	Pullers, 3/4 Ton to 6 Ton
Acetylene	
	Rake
Dollies, Pipe	Garden
Drills, Electric 1/4" to 3/4"	Asphalt
	Reamers, Pipe
Forge, Blacksmith	
	Salamanders
Grinders	Sanders, Electric
Bench Electric	Saws
Air Angle	Portable Electric
Straight	Hand
	X Cut

SMALL TOOLS

LESS THAN \$500.00 VALUE EACH

Scoops
Screwdrivers, Hand
Shovels, Hand
Snips, Tin
Socket Sets
Soldering Iron
Squares, Carpenter
Straight Edges
 Wood
 Steel

Tampers, Hand
Threader
 Pipe
 Bolt
Tongs
 Blacksmith
 Chain
 Ice
Torches
 Blow Heating

Vibrator
 Electric
 Air
Vise
 Pipe
 Bench

Wheel Barrows
Wrench
 Impact
 Adjustable Pipe
 Crescent

Any other Standard Tools
under \$500.00 Value Each.

SAFETY INSTRUCTIONS FOR CONSTRUCTION
CONTRACTORS AND THEIR AGENTS WORKING
ON THE PREMISES OF ARMCO STEEL CORPORATION

The purpose of these safety instructions is to establish minimum safety standards to guide the Contractor and his employees in carrying out their safety responsibilities. Unless the context otherwise requires, reference to employees of the contractor shall include employees of sub-contractors.

I. GENERAL INSTRUCTIONS

- A. The General Contractor shall be responsible for the safety activities of all employees and agents he employs.
- B. All safe practices on construction work outlined in the latest edition of the "Manual of Accident Prevention in Construction", as published by The Associated General Contractors, shall be used as a guide.
- C. The Contractor shall comply with all applicable city, county, state, and federal safety codes in the area where he is performing his work.
- D. The Contractor shall comply with all applicable safety rules and regulations of the plant or works of Armco Steel Corporation where he is performing work. Questions of application will be resolved solely by Armco.
- E. Before starting work, the Contractor shall secure copies of all Armco General Safety Orders issued by the local plant where he is working and he shall comply with applicable provisions to safeguard personnel and property of Armco.
- F. The Contractor shall make prior arrangements with the Project Engineer or designated Plant Engineer before starting work in any operating department.
- G. Control valves or service lines which are located in various departments must not be opened or closed without first securing permission from the maintenance foreman in the department.
- H. The Contractor must make prior arrangements with the Project Engineer or his designated representative to check on the existence of underground conduits and service lines before an excavation of any kind is made with the plant area.

II. ACCIDENT PREVENTION PROGRAM - The Contractor shall have an accident prevention program commensurate with the extent of work under his contract.

- A. Safety Personnel - If it is determined by Armco that the contract warrants a full-time qualified safety supervisor, he shall be employed by the Contractor to implement the accident prevention program. He shall work closely with the plant safety department. The determination for the need of a safety supervisor shall be resolved before the contract is finalized.
- B. Safety Meetings shall be held regularly between Armco plant safety personnel and the Contractor's safety and/or supervisory personnel and Contractor's personnel for establishing a Safety Meeting Schedule.
- C. Adequate Safety indoctrination and instruction shall be given to all personnel employed by the Contractor.

McGCon 2344

D. Personal Protective Equipment and Clothing

1. The Contractor shall require his employees to wear adequate protective equipment and clothing commensurate with the hazards of the job being done. It is recommended that, wherever possible, these requirements be in accord with the personal protective program of the Armco plant or works where the work is performed. The following shall be used as a guide in establishing rules to provide employees with adequate protective equipment.
 - a. Hard hats shall be worn in all construction areas.
 - b. Appropriate type safety glasses, goggles, face shields or helmets shall be worn on all jobs where there is a known eye hazard.
 - c. Appropriate foot wear, such as safety shoes, protective covers, rubber boots, etc. shall be worn by employees who are engaged in work requiring such protection.
 - d. Respirators or breathing apparatus shall be worn on any job with respiratory hazards, including brick sawing, spray painting, and areas of excessive dust, toxic materials, or oxygen deficiency such as manholes, sewers, etc.
 - e. Safety belts shall be worn by employees where needed.

III. ACCIDENT REPORTS - The contractor shall maintain accurate safety records.

- A. All work injuries shall be classified in accordance with the latest revision of the Z16.1 Code, "Recording and Measuring Work Injury Experience", as issued by The American Standards Association.
- B. Any accident which apparently will lead to a disabling injury must be reported to the Armco project engineer or works engineer immediately.
- C. Copies of all disabling injury reports shall be sent to the Armco project engineer or works engineer.

IV. FIRST AID AND MEDICAL TREATMENT

- A. The Contractor shall make adequate local arrangements for giving first aid and medical treatment to injured employees.
- B. All injuries, regardless of how minor, shall be reported to the individual's supervisor.

V. CONTRACTOR'S EMPLOYEES - Qualifications and Conduct

- A. The Contractor shall make every effort to employ physical and mentally capable employees to carry out the work they are expected to perform.
- B. Employees should be discouraged from riding crane hooks or loads carried by cranes.
- C. Employees must not visit departments or sections of the plant not connected with their place of work.
- D. Employees entering or leaving their place of work must follow the designated routes.
- E. Employees must be alert for train movements when crossing railroad tracks.
- F. Employees shall not cross over, between, or under railroad cars unless properly authorized.
- G. Horseplay is considered an unsafe act and will not be tolerated on the job. Employees engaging in same are subject to discharge.

- H. Good Housekeeping is one of the first rules of safety and all Contractors are expected to keep their places of work clean and orderly. Materials and equipment will be left in a neat and orderly manner at the end of each working day. Trash shall be disposed of daily or more often if necessary. Employees must be cautioned against blocking or obstructing fire-fighting equipment, electric switch boxes, crane access stairs, ladders, safety walkways, or other areas necessary for the movement of men or safe operation of equipment.

VI. FIRE PREVENTION AND PROTECTION - Every possible effort shall be made to prevent fires and all approved protective means shall be taken in accordance with the National Fire Protective Association Code. Special protective measures shall be taken as follows:

- A. When burning or welding outfits are used, fire extinguishers shall be close at hand.
- B. Compressed Gas Cylinders shall be handled with care at all times. They shall be properly secured in racks in upright position at all times. They shall not be stored near gas, oil, or other flammable liquids, and separators are recommended between oxygen and acetylene when in storage or in use. If cylinders must be handled by hoisting equipment, they shall be carried in a cradle or similar device, and extreme care shall be taken so they are not dropped. Slings shall not be used.
- C. Flammable Liquids - All volatile and flammable liquids must be stored in and dispensed from approved containers which are clearly identified as to contents.
- D. Explosives - No explosives may be used on the premises without the permission of the plant engineering department. If such permission is granted, explosives shall be handled by properly licensed and experienced personnel. Explosives shall be stored in accordance with all local regulations to prevent fire or explosion.

VII. MACHINERY MECHANIZED EQUIPMENT, AND MOTOR VEHICLES

- A. All tools, machinery, and equipment used by the Contractor shall be adequate for its intended use and shall be in safe operating condition.
- B. All operators shall be experienced in the operation and use of the equipment they operate.
- C. All motor vehicles which are permitted to use roadways inside the plant must be driven by properly licensed operators at a safe rate of speed, not exceeding the maximum speed allowed in the plant. Parking restrictions and all regulations must be observed. When backing any vehicle, the operator must be sure the areas are clear.
- D. Whenever it is necessary to transport men in the body of a truck, the truck must be equipped with seats. If dump trucks are used to transport men, the bed of the truck must be properly secured so it cannot accidentally dump.

VIII. ELECTRICALLY POWERED TOOLS AND EQUIPMENT - All stationary and portable electrically powered tools and equipment used by the Contractor must be grounded before operation is permitted. Three-pronged plugs and receptacles are required by Company standards.

IX. SANITARY CONDITIONS. Unless provided by Armco, the Contractor shall be required to furnish adequate toilet facilities as required by the city, county, state, or federal codes and by the plant where the work is being performed.

- X. EXCAVATIONS must be barricaded day and night, and marked by warning lights at night. Openings in the ground or in floors, such as manholes, valve pits, and sewers, shall be railed off or covered. Where shoring is required, it shall be in accordance with the state safety code applicable, and the standards contained in "Manual of Accident Prevention in Construction" as issued by The Associated General Contractors of America.

XI. GENERAL SAFETY PRECAUTIONS

- A. Ladders and scaffolds and other equipment used on the job must meet the safety code of the state where the work is performed.
- B. Nails - - All protruding nails in boards must be removed or turned down.
- C. Material Piling and Storage - - All materials used for construction shall be safely piled. Materials that have a tendency to roll or move shall be properly secured.
- D. Salamanders used for providing heat for the comfort of employees must be guarded in accordance with the standard established by the plant. All gas-fired salamanders shall be equipped with automatic shut-off regulators and, if located in confined areas, shall be vented to the atmosphere.
- E. Overhead Work - When it is necessary to perform work above the heads of men or where there is a possibility of men passing under overhead work, the danger zone must be roped off and "MEN WORKING OVERHEAD" signs displayed.
- F. Toxic Gases - Whenever it is necessary to perform work in a department, tunnel, basement, sewer or in any place where gas may be present, a carbon monoxide gas test must be taken before starting the job. The test shall be made with a CO detector and explosimeter.
- G. Electric Lines - Crews working on or near live electrical lines must take all safety precautions possible to ensure their personal protection.