



A Subsidiary of Union Pacific Corporation

PLAINTIFF'S EXHIBIT

UPRC-185

SAFETY PROGRAM IMPLEMENTATION PROCEDURE

PROCEDURE NO. 41

I. THE BASIC SAFETY PLAN

In order to reach the goal of safe production, manpower, machinery and material must be dealt with effectively. This is the area in which occupational injuries are inflicted.

Industrial accidents are preventable since it is possible to control the causal factors. An unplanned event was permitted to develop when an accident results from a method of operating. The accident is the acute symptom that something has gone wrong. Such symptoms have a basic cause which is either the unsafe practice, the unsafe condition or a combination of the two. Loss control studies made by safety practitioners have established that some 95% of all accidents are caused by unsafe practices. Only a very small per cent results from unsafe conditions. However, the conditions aspect can become more prominent should inadequate attention be given to the control of physical hazards which are created and permitted to exist. One of these two factors is always basic while the remainder may or may not be contributing. Emphasis must be placed on safety violation before the accident is a fact and appropriate recognition should be given for safe practices.

II. POSITIVE ACCIDENT CONTROL METHODS

Supervision has many methods available for use in the constant movement to establish and maintain safe operations. Of these, there are four that are fundamental. In instances, these apply more to line supervisors and in others equally to all management levels.

1. Fact Finding: The supervisor must know as much as possible about his equipment, its use, the inherent hazards of his operation, the safe method in which the job may be accomplished and consider the application of these under circumstances of practical human use.
2. Communications: Accident prevention will not succeed because a supervisor knows what respective safety measures, mechanical safeguards or personal protective equipment are essential. Proper safety instruction must be given with the job assignment. In addition, it is not what the worker is told that counts because what is understood is what will be done.
3. Discipline: Safety in the final analysis must be a requirement of every task undertaken. To attain individual safe performance to a state of practiced accident control, all phases leading to discipline must be exercised - leadership, training, compliance and progressive corrective action. Progressive discipline is applicable among those who do not conform during the three basic phases.



A Subsidiary of Union Pacific Corporation

SAFETY PROGRAM IMPLEMENTATION PROCEDURE

PROCEDURE NO. 41

4. Action: Accidents will only be controlled when the entire organization acts for safety uniformly. There is no such state as neutrality - action for safety is either positive or negative. Safety must be developed through the acceptance and execution of safety responsibilities as they pertain to each supervisory level.

III. SAFETY RESPONSIBILITY

The Refinery Manager is directly responsible for the safety of all personnel at the refinery operation's location. It is required that a refinery be operated in accordance with corporate policies of accident prevention. Enforcement must be consistent with the basic safety plan in compliance with Federal Safety and Health Regulations.

The Operations Manager is accountable for fostering those activities essential to an effective operating safety program. He must require that safety is maintained in the proper perspective with the other components of the production requirements.

The Safety Department is responsible for the staff functions of directing the proper implementation of the refinery's safety approach, regulations, activities and standards. Steps must be taken to ensure that unsafe practices and unsafe conditions receive attention by the department involved for correction. Safety engineers cannot successfully assume the total responsibility for the various and essential safety requirements and are in no position to go so far as to actually enforce safety in the jobs of workers. To do so detracts from the supervisor's authority, creates multiple supervision and weakens acceptance of safety by the workers. Line supervision's influence in requiring adherence to safety procedures and regulations on a daily basis is the most positive factor in attaining and maintaining safe production.

Department Manager The department manager is accountable for taking that action necessary to correct conditions determined to be detrimental to safety, safeguarding hazards and establishing safety in his department. A manager is to direct the safety approach in his department requiring those who supervise to comply with and enforce all safety regulations. Prompt appropriate progressive corrective measures shall be imposed by the department manager upon recommendation from the individual's supervisor, subject to review by the Personnel Manager concerning safety infractions that warrant the final steps of the formal discipline procedures.

The Supervisor's influence must be such that safety is a part of every job. He is directly and personally responsible to his department manager for the safety of those he supervises. He must be fully conversant with the safety regulations and set the example for all his people. He must make it clear to employees the requirement that they work safely at all times and that safety violations may be the cause for disciplinary action ranging from a censure to separation.

CH/W-001096



champlin

A Subsidiary of Union Pacific Corporation

SAFETY PROGRAM IMPLEMENTATION PROCEDURE

PROCEDURE NO. 41

The Supervisor, Leaderman, Operator and other persons authorized to provide direction to employees in their work are:

1. To train new people with "safe production" the first requirement of the job including adequate familiarization with the refinery's safety rules and follow up for compliance.
2. To educate all employees under his supervision in the acceptance of operating safely. Thinking safety is necessary to practicing safety.
3. To be aware of his operations to the extent he is continuously alert for hazards that develop. Upon detection take action for correction with follow-up to ensure compliance. Housekeeping must be at all times maintained adequately to support safe conditions.
4. To inspect the area for unsafe conditions and be consistently watchful for unsafe acts as well as accident situations that may be in the development state. Upon detection take corrective action.
5. To require the necessary safety equipment and protective devices be in use regularly as prescribed. He must assure that such equipment is in good condition.
6. To see that tools and machines are in proper repair and adjustment with sufficient safety guards affixed.
7. To require that first aid cases are reported according to procedure.
8. To participate in the overall safety program and hold a formal type safety meeting at least once each month.
9. To conduct group safety discussions relating to a particular operation concerning safety matters pertinent to the shift.
10. To contact each employee on his shift concerning safety no less than 1 time each week.
11. To observe the first aid case trend for the purpose of coaching those with repetitive visits to the refinery's medical facilities in the interest of preventing injuries.
12. To accept No unsafe practices and investigate no-injury incidents, reporting each with corrective measures taken.

Employee Employees are required to work safely. Each must develop the safe way to do the job and comply with the refinery's safety rules as well as with the department's safety measures. Employees are to assist fellow workers and contribute to the safety of an operation. Refinery personnel are subject to disciplinary measures for the violation of safe operating principles. Performance in the area of individual safety accountability is among the factors to be considered in an employee's progress evaluation.

CH/W-001097



A Subsidiary of Union Pacific Corporation

SAFETY PROGRAM IMPLEMENTATION PROCEDURE

PROCEDURE NO. 41

Purchasing Department Purchase orders placed with vendors for products, merchandise, hardware, machinery and equipment shall have been processed considering safety factors to include applicable mechanical guards, safety devices, noise control, flammable characterizations and the chemical aspect. Buyers will advise the safety office of any and all chemicals to be purchased which have toxic, caustic, corrosive or dangerous qualities.

Engineering Managers in the areas of these respective functions shall insure that the applicable safety factors are provided for during design and construction whether originating within the department or from outside sources. Adequate interlock, guards, regulators, fire protection and other mechanical or physical devices shall be provided considering the human element prior to use. The safety office shall be advised of projects and proposed installations in writing at the time the plans are first formulated and also in the event of resubmission.

Maintenance Supervisors of the maintenance activities shall provide systematic maintenance services which keep the physical refinery in a safe operating condition. Integrated within this, there must be a preventative maintenance emphasis coupled with routine inspections designed to detect conditions, if uncorrected, might result in accidents. A relationship is to be established which expresses the interdependence of maintenance and production in that those who operate are to take care of their machinery and equipment. Work orders regarding safety shall be evaluated and given priority whenever warranted.

Personnel Department in their study of the operations and processes are to emphasize the safe methods of performing the particular job which is to be reflected in any training presented. It is essential the written procedures consider the safety of the employee. Job descriptions must be based on safe practices when developed and express the required safety accountability of the individual in work performance.

Medical Facility The intent and objective of the medical treatment and first aid approach is to:

1. Accurately evaluate prospective employees from a health and medical point of view to ascertain their physical condition and capability.
2. Properly classify medical injury or illness cases, directing those that are not job incurred to group insurance for the benefits provided by the plan.
3. Positively identify occupational cases through proper diagnosis and prognosis considering an individual's medical history.
4. Promptly refer only those occupational cases so determined by the attending physician to competent specialists and/or an approved hospital. Emergencies are subject to immediate appropriate referral.

CH/W-001098



A Subsidiary of Union Pacific Corporation

SAFETY PROGRAM IMPLEMENTATION PROCEDURE

PROCEDURE NO. 41

5. Follow-up occupational injury incidents to prevent loss of time from work that is not warranted.
6. Maintain strict confidence concerning an illness or injury reported in keeping with ethical code practiced between a physician and a private patient.
7. Exercise the essential medical surveillance among employees as required to ascertain the extent of exposure to materials known to be a health hazard and take corrective action as indicated by the clinical results. It shall be established which operators require this routinely and appropriate medical shall be afforded when emergency exposure occurs.

Central Safety Committee is comprised of all department heads and has the responsibility to decide matters of refinery safety; such as, general safety policy, safety practices, safety principles or policies, establish disciplinary procedure for safety violators and solve safety matters that are in conflict or suspense. This committee will function on a similar basis as a regular staff meeting with the refinery manager and shall meet the second Tuesday of each month.

CH/W-001099