

Huston Lumber Employee Safety Manual

Safety Policy

Every employee should understand the importance of safety in the workplace. By remaining safety conscious, employees can protect their own interests as well as those of their co-workers. Accordingly, the Company emphasizes “safety first” and expects all employees to take steps to promote safety in the workplace. In keeping with this commitment, the Company has established an Injury and Illness Prevention Program (IIPP) as part of its safety program. The IIPP Administrator has been delegated the responsibility of administering and implementing this Program.

Employees must understand that compliance with safety requirements is a condition of employment and will be evaluated, together with other aspects of an employee’s performance, as part of the performance appraisal process. Employees who are particularly effective in following safe and healthful work practices may receive recognition for their effectiveness. Due to the importance of safety considerations to the Company, employees who violate safety standards, cause hazardous or dangerous situations, or allow such conditions to remain when they could be effectively remedied, may be subject to disciplinary action, up to and possibly including termination. It is therefore essential that all employees comply fully with the standards and practices of the company that are designed to promote a safe and healthy working environment.

As part of our policy, the company has established programs to train and re-train employees, when appropriate, to assist them in avoiding dangerous or unhealthy conditions, and to remedy problems or hazards before they cause accidents or injuries. An employee should report unsafe conditions immediately to his supervisor, if he is unable to remedy the situation himself. If the supervisor is not readily available, the employee should immediately inform the IIPP Administrator.

Employees are strongly encouraged to report any unsafe condition, and need not fear any form of reprisal as the result of their report. Employees can choose to report the situation anonymously to the IIPP Administrator if they prefer.

Injury and Illness Prevention Program

Employee safety is of paramount importance to this company. In keeping with its commitment to safety in the workplace, the Company has established this Injury and Illness Prevention Program (IIPP) to explain its safety policies and procedures. Some of the key features of the program are summarized below:

- 1. Responsibility for Administration:** The individual with principal authority and responsibility for implementing and administering the company's IIPP is Peter Brzezinski, the Safety Director. This person is also referred to as the IIPP Administrator in this IIPP statement.
- 2. Need for Compliance:** All employees are required to comply with the company's safety and health policies and practices. This includes employees at every level and in all positions within the company. Performance evaluations take into consideration all aspects of an employee's performance, including the employee's compliance with the company's safety standards. Consequently, strict adherence to the company's safety standards and legal obligations concerning safety will be viewed positively in an evaluation. In the same manner, employees who fail to promote the interests of safety and health in the workplace may be viewed negatively in an evaluation. In addition, violations of safety standards or conduct that show either a disregard for safety concerns, or negligent or reckless conduct, may result in disciplinary action. In this regard, it should be remembered that the employment relationship is at the mutual consent of the employee and the company and can be terminated at will, at any time, either by the employee or by the company.
- 3. Communications:** Employees will be periodically informed of matters relating to occupational safety and health. Communications of this nature may be contained in posted notices, memos, personnel policy statements, employee newsletters, or safety guidelines. Important safety issues may also be raised at employee meetings and training programs. Employees are, in turn, encouraged to direct any questions they have regarding safety issues or the IIPP to the IIPP Administrator. It is also the responsibility of each employee to inform his or her supervisor or the IIPP Administrator immediately of any hazard or unsafe condition on the work-site. This can occur without fear of reprisal. Employees can also notify the IIPP Administrator of any such hazard anonymously if they prefer to do so. This can be done by calling Peter Brzezinski at (908) 756-6308, or by writing her at PO Box 7367, Watchung, NJ 07069.

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- 4. Inspections:** The Company has adopted procedures that are designed to assist in identifying and evaluating workplace hazards, including unsafe conditions and work practices. These procedures include periodic inspections. Inspections may occur (a) when new substances, processes, procedures, or equipment that represent a new occupational safety and health hazard are introduced to the workplace, and (b) when the company becomes aware of a new or previously unrecognized hazard.
 - 5. Investigation of Injuries and Illnesses:** The Company will investigate occupational injuries and illnesses when and in the manner that it determines appropriate. This may involve a physical inspection of the location where an injury occurred. The investigator will discover the circumstances that led to the injury or illness and whether specific measures could have reduced or eliminated the danger or prevented the injury or illness. Such investigations may be conducted by the IIPP Administrator or a person designated by the Administrator for that purpose.
 - 6. Correction of Unsafe Conditions:** Where it is determined that an unsafe or unhealthy condition, work practice or work procedure exists, the Company will take steps that it determines are appropriate under the circumstances to correct the condition, practice or procedure in a timely manner. The severity of a hazard will be considered along with other relevant factors when evaluating the most appropriate method of correcting any hazardous situation and the time frame within which the correction will be made. If an imminent hazard exists that cannot be abated immediately without endangering one or more employees or property, the Company may find it appropriate to remove all exposed personnel from the area in which the hazard exists, unless they are necessary to correct the condition. Where employees are found necessary to correct the hazardous condition, they will be provided necessary safeguards.
 - 7. Training and Instruction:** The Company will also provide training and instruction to employees under the IIPP. Such training and instruction will be provided (a) when the program is first established, (b) as part of the orientation provided to new employee, (c) to employees provided new job assignments for which training has not previously been received, (d) when new substances, processes, procedures, or equipment are introduced to the workplace and represent a new hazard, (e) when the company becomes aware of a new hazard or one that was previously unrecognized, and (f) to supervisors who must be familiar with the safety and health hazards to which their employees may be exposed.

8. Records: The Company will retain records of inspections and training conducted under the IIPP for the period required by law. The objectives of the IIPP can only be fully accomplished with the cooperation of all employees. We again wish to stress the importance of safety to the company and all of its employees and urge every employee to cooperate in our goal of achieving "Safety First". If you have any questions regarding the IIPP or your responsibilities with respect to workplace safety, please direct them to the IIPP Administrator.

General Safety Rules

General

1. Aisles and emergency exits shall be kept free of debris at all times and maintain a minimum width of 24".
2. Floors shall be kept clean and dry.
3. Floors and platforms shall be kept free of projections, obstructions, holes and loose boards.
4. Machinery and equipment shall be arranged to maintain a 24" wide aisle for safe egress from the building, or a warning sign shall be posted.
5. Exits shall never be obstructed.
6. Fire extinguishers shall not be obstructed at any time.
7. Safety devices and guards shall not be removed, and/or be replaced before operating any machine.
8. All control buttons and switches shall be identified according to their functions.
9. All control buttons and switches shall be color-coded.
10. All unsafe work conditions shall be reported to a supervisor or the safety coordinator.
11. Report all accidents, injuries or illnesses to a supervisor or the safety coordinator.
12. Correct or report any safety device that is missing or inoperative.
13. Return tools and equipment to a proper storage place after use.
14. Maintenance of equipment shall be performed by qualified personnel. Do not attempt to fix it yourself.
15. No jewelry, long hair or loose clothing is allowed around any machinery while operating.
16. Horseplay and running shall be forbidden.
17. Smoking is allowed only in designated "smoking areas".
18. Proper hygiene shall be used when leaving or returning to work areas for breaks and lunch (i.e. washing hands).
19. Employees shall use proper lifting techniques to prevent back injury.
20. Employees working in the yard shall wear steel toed boots and protective work gloves.

Driver

1. Hand carts shall be used for loading and unloading large items and heavy loads.
2. Seat belts shall be worn while operating any vehicle.
3. Employees shall not exceed the speed limit or use excessive speed for prevailing conditions.
4. Employees will practice defensive driving techniques.
5. Alcoholic beverages and intoxicating substances are forbidden prior to or during working hours.
6. Vehicles shall be parked in well-lighted areas and locked to discourage criminal activities.

Shipping/Receiving Departments

1. Proper lifting techniques shall be used.
2. Large loads must be moved by pallet jacks or forklifts.
3. Employees operating forklifts must be qualified to do so. They must be trained, understand the forklift operating rules, and have authorization from a supervisor.
4. Do not exceed maximum load capacity on forklift when moving a load.
5. No passengers are allowed on forklifts.
6. Use extreme caution when unloading trucks.

Abrasive Cut-off Saw Operator

1. Wear eye protection and, as needed, use the face shield.
2. Wear a respirator during the buffing operation when the dust is more prevalent.
3. Always shut the power off to the saw before placing material to be cut under the saw.
4. Never hold material to be sawed with the hands. Securely clamp the material to the saw table.

Forklift Safety Program

1. Only drivers authorized by the employer and trained in the safe operations of industrial trucks or industrial tow tractors shall be permitted to operate such vehicles. Methods shall be devised to train operators in safe operation of powered industrial trucks.
2. Stunt driving and horseplay are prohibited.
3. No riders shall be permitted on vehicles.
4. Employees shall not ride on the forks of lift trucks.
5. Employees shall not place any part of their bodies outside the running lines of an industrial truck or between mast uprights or other parts of the truck where shear or crushing hazards exist.
6. Employees shall not be allowed to stand, pass, or work under the elevated portion of any industrial truck, loaded or empty, unless it is effectively blocked to prevent it from falling.
7. Drivers shall check the vehicle at least once per shift, and if it is found to be unsafe, the matter shall be reported immediately to a foreman or mechanic, and the vehicle shall not be put in service again until it has been made safe. Attention shall be given to the proper functioning of tires, horn, lights, battery, controller, brakes, steering mechanism, cooling system and the lift system for fork lifts (forks, chains, cable, and limit switches).
8. No truck shall be operated with a leak in the fuel system.
9. Vehicles shall not exceed the authorized or safe speed, always maintaining a safe distance from other vehicles, keeping the truck under positive control at all times and all established traffic regulations shall be observed. For trucks traveling in the same direction, a safe distance may be considered to be approximately 3 truck lengths or preferably a time lapse—3 seconds—passing the same point.
10. Trucks traveling in the same direction shall not be passed at intersections, blind spots, or dangerous locations.

11. The driver shall slow down and sound the horn at cross aisles and other locations where vision is obstructed. If the load being carried obstructs forward view, the driver shall be required to travel with the load trailing.
12. Operators shall look in the direction of travel and shall not move a vehicle until certain that all persons are in the clear.
13. Trucks shall not be driven up to anyone standing in front of a bench or other fixed object of such size that the person could be caught between the truck and object.
14. Grades shall be ascended or descended slowly.
 - (A) When ascending or descending grades in excess of 10 percent, loaded trucks shall be driven with the load upgrade.
 - (B) On all grades the load and load-engaging means shall be tilted back if applicable, and raised only as far as necessary to clear the road surface.
 - (C) Motorized hand and hand/rider trucks shall be operated on all grades with the load-engaging means downgrade.
15. The forks shall always be carried as low as possible, consistent with safe operations.
16. When leaving a vehicle unattended, either:
 - (A) The power shall be shut off, brakes set, the mast brought to the vertical position, and forks left in the down position. When left on an incline, the wheels shall be blocked; or
 - (B) The power may remain on provided the brakes are set, the mast is brought to the vertical position, forks are left in the down position, and the wheels shall be blocked, front and rear.

Note: When the operator is over 25 feet (7.6 meters) from or out of sight of the industrial truck, the vehicle is “unattended.”
17. When the operator of an industrial truck is dismounted and within 25 feet (7.6 meters) of the truck which remains in the operator’s view, the load-engaging means shall be fully lowered, controls placed in neutral, and the brakes set to prevent movement.

Exception: Forks on fork-equipped industrial trucks may be in the raised position for loading and unloading if the forks are raised no more than 42 inches above the level where the operator/loaders are standing, and the power is shut off, controls placed in neutral and the brakes set. If on an incline, the wheels shall be blocked.
18. Vehicles shall not be run onto any elevator unless the driver is specifically authorized to do so. Before entering an elevator, the driver shall determine that the capacity of the elevator will not be exceeded. Once on an elevator, the power shall be shut off and the brakes set.
19. Motorized hand trucks shall enter elevators or other confined areas with the load end forward.
20. Vehicles shall not be operated on floors, sidewalk doors, or platforms that will not safely support the loaded vehicle.
21. Prior to driving onto trucks or trailers, their flooring shall be checked for breaks and other structural weaknesses.
22. Vehicles shall not be driven in and out of highway trucks and trailers at loading docks until such trucks or trailers are securely blocked or restrained and the brakes set.

23. The width of one tire on the powered industrial truck shall be the minimum distance maintained from the edge by the truck while it is on any elevated dock, platform, freight car or truck.
24. Trucks shall not be loaded in excess of their rated capacity.
25. A loaded vehicle shall not be moved until the load is safe and secure.
26. Extreme care shall be taken when tilting loads. Tilting forward with the load-engaging means elevated shall be prohibited except when picking up a load. Elevated loads shall not be tilted forward except when the load is being deposited onto a storage rack or equivalent. When stacking or tiering, backward tilt shall be limited to that necessary to stabilize the load.
27. The load-engaging device shall be placed in such a manner that the load will be securely held or supported.
28. Special precautions shall be taken in the securing and handling of loads by trucks equipped with attachments, and during the operation of these trucks after the loads have been removed.
29. When powered industrial trucks are used to open and close doors, the following provisions shall be complied with:
 - (A) A device specifically designed for opening or closing doors shall be attached to the truck.
 - (B) The force applied by the device to the door shall be applied parallel to the direction of travel of the door.
 - (C) The entire door opening operation shall be in full view of the operator.
 - (D) The truck operator and other employees shall be clear of the area where the door might fall while being opened.
30. If loads are lifted by two or more trucks working in unison, the total weight of the load shall not exceed the combined rated lifting capacity of all trucks involved.

Note: Operators must be certified and have had forklift training before operating industrial trucks or tow tractors.

OSHA RECORDKEEPING

1. Report all recordable work-related injuries or illnesses to the Benefits Coordinator. These include:
 - Death
 - Loss of consciousness
 - Medical treatment beyond first aid
 - Days away from work
 - Restricted work activity or job transfer
2. The Benefits Coordinator will record each incident on the Log of Work-Related Injuries and Illnesses (OSHA Form No. 300) according to the instructions provided.
3. Each year, the Benefits Coordinator will prepare the Summary of Work-Related Injuries and Illnesses (OSHA Form No. 300A). This form will be posted in each facility from February 1 to April 30 of the subsequent year.
4. These records will be retained for seven years.

FLEET SAFETY PROGRAM

Driver Safety

Huston Lumber requires that all job applicants who will be driving company vehicles provide a current Motor Vehicle Record (MVR) prior to hiring. Truck drivers are required to have a valid CDL license.

Huston will obtain updated MVRs on a semi-annual basis for all employees who drive company vehicles. Any driver with 6 or more points on their MVR or with repeated minor violations or accidents will be placed in a non-driving capacity. Drivers with 3 to 5 points may be temporarily placed in a non-driving capacity as deemed necessary by management.

Employees are expected to follow posted speed limits, practice defensive driving, wear seat belts, use cell phones in a safe manner and take a sufficient number of breaks so they remain alert when driving a company vehicle.

Driver Training

Newly hired or promoted truck drivers will ride with a senior driver for one week to learn inspection procedures and the proper operation of the vehicle. The senior driver will then ride with the new driver for one week to assess the ability of the new driver. Upon successful completion of the two week training program, the driver is considered a certified driver.

Vehicle Maintenance

All company-owned vehicles should be kept in good condition to ensure their safety on the road.

Delivery trucks

1. Truck drivers are required to perform an inspection of their vehicles each morning. The inspection should cover each applicable item on the checklist contained in the Drivers Vehicle Inspection Report (DVIR). Drivers must complete and sign the DVIR.
2. Corrective action must be taken immediately on any defects found during the inspection that would affect the safe operation of the vehicle.
3. The original DVIR's and records of repairs for each truck shall be filed and retained for seven years.
4. Trucks should be serviced for regular maintenance every 5,000 miles.

Company vehicles

Employees with company vehicles are responsible for maintaining the vehicle through regular service as recommended by the manufacturer.

DRUG TESTING POLICY

Huston Lumber's drug testing policy covers all employees and certain job applicants. This policy is intended to prevent drug-related accidents, injuries and poor work performance by striving to maintain a drug-free working environment.

Testing will be done under the following circumstances:

1. Job applicants for positions requiring a Commercial Drivers License (CDL) will undergo testing for the presence of illegal drugs as a condition of employment. Job offers are contingent on passing the drug test.
2. Employees who are subject to Department of Transportation regulations will be tested during the routine physicals necessary to maintain their CDL.
3. Employees who are subject to Department of Transportation regulations will be tested on a random basis. The Company will use a neutral selection process to determine which employees will be tested, which means that any employee has an equal probability of being selected each time testing is performed, and it does not give the Company discretion to waive the selection of any employee. On an annual basis, testing will be conducted on at least fifty percent (50%) of the total number of employees subject to testing.
4. Employees may be tested upon reasonable suspicion that the employee is in violation of the Company's substance abuse policy, which may be based on any of the following:
 - Observable phenomena, such as direct observation of drug use and/or the physical symptoms or manifestations of being under the influence of a drug.
 - Abnormal conduct or erratic behavior while at work, excessive absenteeism or tardiness, or deterioration in work performance.
 - A report of drug use while working provided by a reliable and credible source.
 - Evidence that an individual has tampered with a drug test.
 - Evidence that an employee is involved in the use, possession, sale, solicitation or transfer of drugs while working or while on the employer's premises or operating the employer's vehicle, machinery or equipment.
5. Employees who are involved in an on-the-job accident where personal injury or damage to company property occurs will be tested as soon as possible after that accident.

Employees who refuse to submit to drug testing administered in accordance with this policy may be disciplined or discharged at the discretion of management.

Drug testing will be performed using urinalysis, which is an accurate method of determining the presence or absence of illegal drugs in a person's body. Specimens will be collected at an off-site facility, and all testing will be done by an accredited laboratory. Alcohol testing will be performed using breath alcohol screening.

The urinalysis will screen for the following five drugs:

1. Amphetamines
2. Cocaine
3. Marijuana
4. Opiates
5. Phencyclidine (PCP)

Test results will be evaluated by a Medical Review Officer (MRO), who is a physician knowledgeable in substance abuse and drug testing. The MRO will contact any employee who tests positive to determine whether there is a legitimate medical reason for the result. If the MRO concludes that the employee used drugs in violation of the Company's substance abuse policy, the test results will be reported to the Company.

Employees who are found to have a confirmed positive drug test will be suspended immediately, and may be discharged at the discretion of management.

Information related to investigations, possible employee violations and results of drug tests will be communicated only on a strict "need to know" basis to maintain the confidentiality of our employees.

Huston Lumber & Supply Company
EMPLOYEE SAFETY MANUAL

EMPLOYEE ACKNOWLEDGEMENT FORM

I have received the Employee Safety Manual, and I understand that it is my responsibility to read and comply with the policies stated in the manual.

EMPLOYEE'S NAME (printed): _____

EMPLOYEE'S SIGNATURE: _____

DATE: _____