ENGAGEMENT WITH THIRD PARTY CONTRACTOR TO PROVIDE TEMPORARY PERSONNEL SERVICES

Purpose

To assure that McWane, Inc.'s requirements for contracting with third parties who provide temporary personnel services are followed to the full extent.

Scope

This Policy applies to all team members of McWane, Inc. and its divisions and subsidiaries ("McWane" or "Company").

This Policy is different from that which applies when engaging an independent contractor that will supervise its own employees and be responsible for training, equipping, and protecting its own workers.

Policy Statement

McWane divisions that require temporary service personnel should refer to the attached form agreement as well as conform to the *Guidelines for Dealing with Independent Contractors* found in Health and Safety Procedures HSP-013. McWane requires the following from its divisions and subsidiaries whenever they contract with an independent contractor to provide the services of temporary personnel:

- A written agreement that fully conforms to the attached document entitled "Agreement to Provide Temporary Service Personnel" or the *Guidelines for Dealing with Independent Contractors*. In the event that the temporary personnel contractor proposes its own contract document, the division should review the document to ensure that it conforms to these guidelines in all material terms or get approval of the General Manager to depart from these guidelines.

- Maintain a file on the contractual relationship that includes a current, active certificate of insurance in compliance with the most current McWane insurance risk matrix found in HSP-013. The division must promptly submit a copy of the written agreement and the certificate of insurance (including updates and replacements) to the Company's Vice President and Treasurer.

- Maintain records of all time worked by temporary service personnel.

- Comply with the written agreement and require the contractor to comply with it.

- Orient temporary personnel to all safety, environmental and other plant rules and require full compliance with said rules.

Questions

Questions regarding this Policy should be directed to your local Human Resources representative.

McWane reserves the right to modify, amend, supplement or replace this Policy at any time with or without prior notice.

AGREEMENT TO PROVIDE
TEMPORARY PERSONNEL

PARTIES:

This Agreement is entered into by McWane, Inc., through its [Division Name] division, ("McWane") and _____, ("Contractor") as of _____, 20__.

For good and valuable consideration, the receipt of which is acknowledged by the parties, the parties agree as follows:

GENERAL TERMS:

Contractor will make its employees available on a temporary basis on request by McWane on short notice to fill positions at McWane. Such employees will be provided to fill any positions specified by McWane and will be supplied to McWane within the minimum time period necessary to locate employees fitted to McWane's specific qualifications. Contractor will provide its employees to McWane who have the skills, training, certification, licenses and permits necessary to perform the duties of the positions specified by McWane. McWane has the right to terminate, in its sole discretion, the performance of services by any of Contractor's employees and will pay Contractor only for the hours actually worked by Contractor's assigned employees. This Agreement is terminable by either party on thirty (30) days written notice.

Contractor reserves the sole right to establish the wages and fringe benefits, if any, of its employees. Contractor will comply with all federal and state labor and employment laws and regulations. Contractor has the exclusive responsibility for the payment of such compensation and benefits, the withholding and payment of all required payroll and other taxes and the maintenance of worker's compensation insurance as required by applicable state law. Contractor's responsibility to pay its employees will be accounted for in the fee paid by McWane to Contractor. McWane will pay only the agreed fee and nothing further in connection with this Agreement. McWane will have no responsibility for withholding, collecting or paying any payroll taxes, wages, benefits or other obligations to either Contractor's employees or any governmental agency. Specifically, but without limiting the above, Contractor (1) is considered the common law employer for all placed employees; (2) agrees to satisfy all requirements for qualified health coverage under applicable laws and regulations, including but not limited to the Affordable Care Act ("ACA") and regulations promulgated thereunder; and (3) agrees to satisfy all other requirements of 26 U.S. Code §4980H. McWane will have the right to audit or inspect Contractor's books and records at any time on reasonable notice to confirm compliance with these provisions. In the event that McWane requires drug testing, Contractor will, at McWane's expense, have the pre-work drug test administered and the results reported to McWane.

Contractor will supply McWane a certificate of workers' compensation and general liability insurance which verifies full statutory coverage of Contractor and its assigned employees while performing duties in the line and scope of the temporary services at McWane. Such certificate will evidence coverage pursuant to terms and in an amount satisfactory to McWane in its sole discretion. For purposes of workers' compensation, McWane will have the same, full immunity provided to an employer with respect to work-related injuries, if any, suffered by Contractor's employees who work at McWane.

TIMEKEEPING:

Contractor will provide each assigned employee a time sheet that will be filled out by McWane and signed by the Personnel Manager at McWane at the end of every work week or, if the assignment is less than five business days, at the end of the assignment. McWane may elect to use its own time sheets and fax time sheets to Contractor at the end of the work week. When Contractor assigns an employee to McWane, Contractor will provide in writing the hourly fee that applies to said employee's services.

INDEMNIFICATION:

Contractor and its successors and assigns, agree to defend, indemnify and hold McWane harmless from and against any and all claims, charges, suits, demands, damages, actions or causes of action at law or in equity, together with any and all losses, costs, expenses and attorney's fees in connection therewith or related thereto, asserted or made by any entity, person or persons, for (1) breach of Contractor's obligations under this Agreement, including but not limited to breach of Contractor's obligations under the ACA or §4980H; (2) bodily injury or death arising or proximately resulting from Contractor's or its employees' negligence in whole or in part; or (3) all claims based on any federal, state or local law for employment discrimination or other alleged unlawful employment practices. Notwithstanding anything in this paragraph to the contrary, Contractor will have no obligation to indemnify McWane for a claim arising from a bodily injury or death unless such claim arises or proximately results from Contractor's or its employees' negligence in whole or in part. Nothing in the preceding sentence will be construed to limit Contractor's responsibility to maintain workers' compensation insurance as required above.

GOVERNING LAW:

This Agreement and all rights and obligations hereunder will be governed by and construed in accordance with the laws of the State of Alabama, without regard to its conflict of laws provisions.

ENTIRE AGREEMENT:

This document contains the entire agreement between the parties relating to its subject matter and may not be amended or modified except by a written document signed by an authorized representative of each party.

In signing this agreement, Contractor and McWane agree to all the conditions stated above.

McWane, Inc.

_____
(Contractor)

By:_____

By:_____

Printed Name:_____

Printed Name:_____

Title:_____

Title:_____