1 Introduction

NCSG Crane and Heavy Haul Services Ltd. and its affiliated companies (NCSG) are committed to being an industry leader in providing productive and Quality Crane and Heavy Haul solutions to its customers, in the safest and most efficient manner possible.

To achieve this goal, NCSG Crane and Heavy Haul Services have established a Quality and Safety Assurance and Control Program that focuses on “Services” provided, as we do not provide goods or products. The Quality and Safety Assurance and Control Practices program is a set of interlocking policies and practices that together form a program to ensure NCSG has a consistently high level of service quality delivered in a consistently safe way. The program also has built in feedback or auditing mechanisms to ensure that instances where policies or systems that are not followed are uncovered and corrective actions are taken to ensure program integrity.
The Quality and Safety Assurance and Control Practices program is a detailed guide to show how the various NCSG quality and safety policies and procedures interact to provide a comprehensive program guiding consistently safe operations. It establishes a benchmark that allows all work and equipment to be measured for Quality and Safety, and sets a standard from which to improve upon.

The foundation of the program will be rooted in (but not limited to):

- Legislation that governs personnel, equipment and the construction and transportation industries
- Industry Standards and Best Practices
- Client Requirements and Best Practices
- NCSG Crane and Heavy Haul Services policies, practices and procedures.

NCSG Crane and Heavy Haul Services is committed to developing and expanding the Quality and Safety Assurance and Control Program. Over the years this Program has evolved from a Quality Control program to an “Assurance” program that contains regular compliance monitoring and management and safety audits to ensure program compliance. The company has continually added to this Program and it is the Company’s intention to continue to adopt new practices, procedures, equipment, and methods that help increase our customer service as well as the efficiency and safety of the organization, and its people. The purpose of embracing new technologies, procedures, and practices, is to move the organization from a point of meeting the minimal standards, to setting a high standard of quality and efficiency for lifting and heavy haul work, within the industry.

The Quality and Safety Assurance and Control program will be reviewed on a three-year cycle, and more often if necessary or required. The intention of the Quality Control program is to create a high degree of confidence, on the part of our clients and employees, ensure consistency in delivery of our services, and ensure pride and ownership in the work performed by NCSG Crane and Heavy Haul Services personnel.

2 Quality and Safety Assurance Policy

At NCSG, Quality Assurance is an integral part of our corporate business principles. These principals guide us to deliver services that are safe, compliant, efficient and preferred by our clients. Our commitment is to never compromise on the safety, compliance and efficiency of our services.

This requires engagement and understanding of roles and responsibilities for all of our people towards achieving our core values and empowering them to take action to correct non-compliance to protect our clients, our staff, the general-public and our equipment.

The Quality and Safety Assurance and Control Program is under the oversight and direction of the Vice President–HSE, Technical Training and Quality.
At NCSG; Safety, Integrity, Customer Service, Teamwork and Accountability are vital for achieving our quality objectives. We are committed to providing the required leadership and that the Quality Policy will be reviewed every three years or less (if required).

3 Purpose and Objectives of the Quality and Safety Assurance Program

The Quality and Safety Assurance Program outlines the management systems and related processes that will be used for the work and the services that we provide. The Program defines the key roles and responsibilities of the management team to implement the Quality and Safety processes required and consistently deliver safe and reliable services. It also describes specific requirements to document and evaluate those services. The Quality and Safety Assurance Program is a living document which can be revised based on NCSG program requirements, client requirements and legislation amendments to ensure that our services are performed as consistently as possible.

The objectives of the Quality and Safety Assurance Program are to:

- Establish and maintain a program to eliminate or minimize risk to employees and other interested parties who may be exposed to safety risks associated with our activities
- To ensure consistently high levels of customer service including equipment uptime, on-time performance, providing the right equipment for the job, crew arrives ready to work with the right customer sign-offs
- Continually improve the program
- Assure that NCSG is in conformance with its Safety, Transportation and Service Quality policies and procedures
- Demonstrate such conformance to others
- Seek certification/registration of its quality and safety assurance system by an external organization
The Quality and Safety Assurance Program is the basis for an Overall Business Quality System:

**People**
- People Management
- Hire and Retain the Right People
- Well Trained, Competent
- Subcontractor Management
- Accountability for Corrective Actions, Hoisting Standard, Non-Conformances,
- Appropriate Incentives

**Operational Excellence**
- Customer Satisfaction
- Equipment Uptime
- On-time Performance
- Jobs Turned Down

**Customer Service**

**Safety**
- Safety Program
- Hoisting / Hauling Standards
- Corrective Actions and Auditing
- Risk Assessment Tools
- Leading Safety Indicators
  - Near Miss / Damage
  - Regulatory
- Fundamental Safety Indicators
  - LTF / TRIR

**Financial Performance**
- Work
  - Person in Charge
  - SOPs
  - Site / Job Hazards
  - Job Planning/Engineering
- Equipment
  - Certifications Up to Date
  - Uptime Measurement
  - PM & Repair Process
4 Quality Statement

NCSG Crane and Heavy Haul Services

Quality Control Program Statement

NCSG Crane and Heavy Haul Services and its affiliated companies are fully committed to customer satisfaction through continuous review and improvement of our processes and services. We believe the quality of the services we provide is of the utmost importance and is the number one source of customer satisfaction.

The Quality Control Program is designed to encompass all the functions required to deliver our services and it requires the involvement and commitment of all the employees to ensure effective implementation and continuous improvement.

The success of the Program is the responsibility and accountability of all employees with the oversight of the Branch / Divisional Manager. Every employee will be trained and receive instruction to ensure the implementation and maintenance of the Quality Program is successful. The Quality Control Program will be overseen and directed by the Vice President – HS&E, Technical Training and Quality.

The success of the Quality Control Program will be measured by the reliability and overall quality of the services we provide to our Customers. It is our goal to deliver a safe, high quality and cost effective service to our clients through procedural and policy driven initiatives, managed by our Quality Control Program.

Tim Bennett  
Vice President  
HS&E, Technical Training & Quality
5 Scope

The scope will include all processes and services as pertaining to Lift and Heavy Haul services for all NCSG departments, employees and contractors. Project specific Quality and Safety Assurance Plans will be submitted upon request to the respective clients.

The components of the Quality Assurance and Control program will cover:

- Fleet Management
- Maintenance
  - Engineering
- HS&E Policies and Procedures
- Incident Reporting
- Compliance monitoring
- Fitness for Work
- Audits
- SOP’s
- Job Planning
- Operator Competency
- Training
- Transportation Compliance
- Purchasing
- Human Resources Hiring and Firing

6 Roles and Responsibilities

NCSG Management has the overall responsibility to ensure that the methods used to plan, prepare, execute and evaluate the services delivered are consistent with the practices and policies of NCSG Crane and Heavy Haul Services. Specific responsibilities, by role, are defined in each policy that outlines the individual’s specific roles and activities

6.1 Executive Management/CEO

- Participate in the review and enhancement of the Program, to assist in the improvement of the program over time.
- Monitor and correct issues of non-conformance within the Program throughout their scope of responsibility.
- Ensure adequate funding is in place to sustain the elements and processes.
- Ensure action items and NCR’s are closed out in a timely fashion
6.2 Branch/Regional Manager

- The Branch/Regional Manager has the ultimate responsibility for executing and maintaining an effective Program in their region.

- The Branch/Regional Manager is responsible and accountable for working with all applicable departments (stakeholders), the client, and assigned NCSG staff to ensure that adequate resources and management direction is provided for necessary QSAP education and activities. This includes all required training, adequate staffing, financial support, planning, implementation and execution and as well as ongoing evaluations and documentation.

- The Branch/Regional Manager will be accountable to the Regional VP for ensuring that the Quality related processes are successfully implemented, maintained and documented.

- The Branch/Regional Manager will ensure that the Quality and Safety programs and operations of our employees and subcontractors will meet or exceed the client, legislative, and NCSG corporate standards.

- Establish and oversee the execution and evaluation of the all required inspections.

- Identify non-conformances and implement corrective actions to resolve the non-conformances.

- Ensure that KPI’s are established and measured.

- Ensure contractors providing services have been audited to ensure that they meet Program requirements.

6.3 Corporate Manager—Quality

- Support the implementation of corporate Quality policies, processes, systems and KPI’s.

- Provide education, coaching, counselling and mentoring to assist in the understanding and application of QSAP requirements.

- Lead by demonstrating the required behaviours, attitudes and mind-set to further develop a corporate culture focused on Quality and consistency.

- Act as a change agent to integrate Quality processes consistent with corporate initiatives into the core business process.

- Champion internal quality auditing, corporate monitoring and record keeping efforts.
• Provide leadership and direction to ensure the successful delivery, implementation and administration of corporate Quality policies, processes and systems.

• Develop, facilitate and coordinate corporate training that addresses key strategic priorities, regulatory / client requirements and continuous improvement of NCSG processes where quality is the focus.

• Where required, participate in client Quality meetings including but not limited to: Alignment, Mobilization, and Progress meetings.

6.4 Supervisors and Foremen

• NCSG Supervisors and Foremen are responsible for acting as the first line of the Quality and Safety Assurance Program champions.

• Ensure employees understand and adhere to NCSG policies, procedures, legislation and client requirements.

• Initiate and participate in the Variance Request process if the above cannot be accomplished.

• Field supervision will be responsible to verify NCSG employees are qualified to complete the work for which they are assigned and to observe skill completion in order to assert (through documentation) that they are competent in their assigned tasks.

• Conduct toolbox talks and promote the processes that support the Quality Management Systems.

• Participate in QSAP management meetings, inspections and investigations as required ultimately ensuring corrective actions are completed and documented in a correct and timely manner.

• Hold NCSG employees accountable and use progressive discipline as appropriate.

• Actively participate as a mentor to employees to promote the QSAP systems.

6.5 Employees

Employees must be educated on and comply with Quality and Safety Assurance Program processes, policies and related regulations applicable to their work. Specific employee responsibilities include:

• Stop work promptly if a non-conformance or deviation from approved process is recognized.

• Assist in the investigation and documentation as requested.
- Abide by all NCSG Policies, Practices, Processes and Guidelines, understanding that these are created to assure compliance with regulatory, client and company requirements and are not optional.

- Suggest ways and means to reduce risk of non-conformance and ways to improve quality.

- Complete and submit required project documentation, such as hazard assessments, maintenance reports, inspections and logbooks.

- Actively participate in worksite activities such as Job planning activities, safety meetings, toolbox talks, inspections, investigations, training, etc.

- Identify hazards, defects and violations that may affect the safety of the work area, quality of the work product and compliance to the expectations of company policies, practices, processes and/or guidelines.

- Apply discretion to solve problems.

- Escalate Quality issues to supervisor and management teams within the company.

- Act as a mentor to other employees and lead by example.

6.6 Visitors

- All visitors or NCSG employees at NCSG sites are required to report to the respective security or supervisory office, as indicated at point of access.

- Visitors must follow the instructions provided within the orientation and ensure that they are accompanied at all times while on the worksite.

- Visitors must not conduct work or interfere in work processes.

- Visitors must be supplied with all necessary information to ensure their safety within the worksite.

7 Safety Training & Orientations

All Supervisors, site personnel, NCSG employees, and sub-contractors must receive new hire orientation prior to the commencement of their duties. This orientation shall cover; Client and NCSG Orientation that outlines the applicable company programs and requirements of the job. VTA profiles define specific training requirements based on job scope and regional and client requirements.

Employees performing duties requiring special licensing or training must have proof of such training in their possession before commencing their duties. Supervisory staff shall ensure
qualified and competent employees fill these positions. Copies of licensing and training shall be kept on file (VTA).

Supervisors shall evaluate an employee’s performance to determine whether the employee is competent at the required work task.

7.1 Orientations
A comprehensive orientation is in place for work with NCSG Crane and Heavy Haul Services. This orientation will include but not be limited to:

- Quality commitments, requirements and KPI’s;
- Related regulations and processes and required documentation;
- Employee and Employer safety responsibilities;
- Importance of reporting non-conformance and improvement opportunities;
- Incident response and reporting (NCR).

All employees must successfully complete site orientation to ensure they are aware of all applicable rules and regulations pertaining to quality related practices and procedures.

All orientations will be documented with evidence of completion available upon request. (VTA)

7.2 Training

7.2.1 Training Exam
To assist in ensuring compliance to training and operating standards all new apprentices and journeyman operators to NCSG will undergo a training exam to verify their level of knowledge in the safe operations of mobile equipment. All ongoing training will be tracked in the VTA database.

7.2.2 Virtual Training Assistant (VTA)
All employees are to complete priority 1 and 2 online training, which will consist of training specific to the job scope, tasks and regional requirements.

7.2.3 Practical Training
Designated trainers and evaluators will complete hands on training and conduct an assessment with new employees in order to determine their competency level with the different types of equipment. Training records shall be maintained by the Branch in VTA and signed off in the operators’ “White Book” (Operator Experience Log Book) available upon request.
### 7.2.4 Qualification Verification

Prior to dispatching a worker to a task or onto a piece of equipment the Supervisors and Dispatchers are to ensure that the Worker is signed off on that piece of equipment. If applicable, the White Book must be updated and on their person at all times while operating. Verification of possession will be made by Supervisors, Managers and HSE Advisors when conducting field level inspections and verified through VTA.

### 8 Purchasing and Inventory

In order to provide efficient and consistent service it is important that equipment is sourced and purchased in a controlled manner and “catalogued” for easy tracking and tracing throughout its lifespan and removal of service. NCSG Purchasing department works with the various Operations groups and manufacturers /suppliers to develop company standards for equipment and materials that are purchased and leased for NCSG business. The Purchasing department continues with the tracking of the assets via NexGen database for all maintenance and servicing records. Necessary forms are to be completed to facilitate the purchasing processes. “Available in the QSAP Manual”

### 8.1 Asset Identification

To enable this tracking, NCSG Crane and Heavy Haul Services equipment numbering system has been established to facilitate ease of equipment identification. Use of the numbering system will be the bases for many of our business functions.

- Inventory listing of all equipment;
- Cataloging and filing of all operation and maintenance manuals and information;
- Locating and tracking of equipment;
- Scheduling and recording of equipment inspections, repairs and certification;
- Tracking and filing of all maintenance and repairs.

- All equipment owned and operated by NCSG Crane and Heavy Haul Services or its affiliated companies (NCSG) will be assigned a unit number in accordance with NCSG’s Equipment Numbering System.

- Unit Numbers will be displayed on all equipment with the exception of short term rentals. Unit Numbers are not issued for rental equipment with an estimated rental time of less than three (3) months.

- Shipment of all equipment, components of equipment and rigging (spreader bars, shackles, slings, etc.) must be recorded on a Bill of Lading with replacement values listed. The Bill of Lading must be filled out completely including the value, name of the
carrier, name of customer, destination, and description of shipment. The Shipper, Carrier and Receiver must sign Bill of Lading.

- All inventories of all attachments and accessories (i.e. blocks, balls, jibs, jib sections, boom sections, etc.) will be maintained and listed with each crane certification. All items will be identified by serial number or individual tag number.

- All rigging leaving the yard must be visually inspected and then itemized on a bill of Lading or Crane Work Order.

- Rigging in poor condition will not be sent out and will be removed from service and will be repaired or disposed of.

- NCSG Crane and Heavy Haul Services mobile cranes and mobile equipment will be equipped with all safety devices required by legislation, NCSG Crane and Heavy Haul Services policy, and/or specific site requirements. These safety items include, but are not limited to, back-up alarms, fire extinguishers, key lock boxes, anti-two-block devices, battery disconnects and lockout devices.

9 Maintenance and Repairs

9.1 GENERAL

- All Maintenance and repairs will be done in accordance with manufactures specifications and NCSG Crane and Heavy Haul Services Quality Control and Related Maintenance program.

- All maintenance and repairs to equipment will be done to maintain the integrity of the equipment, and prolong the life of the equipment, in accordance with manufacturer’s specifications and government regulations.

- All repairs to structural components of cranes to be as specified by a professional engineer. All such repairs to be inspected and certified by a professional engineer. Documentation will remain on file for the life of the unit.

- Modifications to cranes or crane components that effect the safe operation and structural integrity of the crane are strictly prohibited, unless the modifications are as per the manufacturer specifications (i.e. equipment updates) and/or if under the direction of a professional engineering firm specialized in the inspection and structural design in the mobile crane and rigging industry. (As approved prior by the client and the NCSG VP of Engineering and Fleet)
• All damaged items deemed unsafe for use will be removed from service and tagged “Do Not Use” and will remain out of service until properly repaired or replaced. All damages and repairs are to be noted in the logbook and kept on file for the life of the unit.

• Maintenance inspections, repairs and modifications will only be performed by qualified company personnel or contractors in compliance with the relevant regulations of their jurisdiction.

9.2 BARE RENTALS

• Clients that bare rent equipment from NCSG Crane and Heavy Haul Services or its affiliated companies (NCSG) will be required to sign and adhere to NCSG’s Equipment Rental Agreement. All equipment going out on Bare Rental is to have an Operators Manual, Maintenance Manual, and a Crane Log Book.

• For cranes and equipment on long term lease it is the responsibility of the client to service and repair the equipment as per manufacturer’s requirements. NCSG is to receive monthly service and repair reports from the client.

• NCSG will monitor the equipment on a regular base to insure proper maintenance is being performed.

• All bare rental equipment must have an outgoing and incoming inspection completed and signed off by client and by NCSG.

9.3 RECORDS

• All repair and maintenance items listed in the Crane Log book will be noted on a:
  • Shop Work Order
  • Request for Repair and Maintenance

• All repair and maintenance items performed on mobile equipment will be noted, dated, and signed off in the Crane Log Book.

• All work in shop and yard is to be properly recorded as specified in NCSG’s Work Order system.

• All hours worked in shop and field will be properly recorded and charged as specified in NCSG management software program (NexGen).
9.4 SHOP WORK ORDER SYSTEM

The management software program has been set up to record all maintenance and repairs performed on all equipment owned and operated by NCSG. The benefits of this software program (NexGen) are:

- Aid in the scheduling of routine maintenance;
- Ensure problems and potential problems are identified early, and that proper repairs are performed quickly;
- Ensure the safe working condition of all equipment;
- Ensure proper records for all maintenance and repairs of all equipment are kept;
- Ensure that maintenance and repair costs are properly tracked to aid in the formulation of effective business decisions.

9.5 SHOP WORK ORDER PROCEDURE

- The NCSG “Shop Work Order” form is the proper document to be used to record all maintenance and repairs.
- Shop work order forms are preprinted forms each with an individual number preprinted on the form.
- When a shop work order is started the preprinted number will be prefixed by Branch designation.
  - e.g. E = Edmonton, F = Fort McMurray, A = Grande Prairie, BC = Fort St. John, TT = Trans Tech
- The shop work order will have the following information recorded on it:
  - Shop work order number prefixed by the Branch designation and unit number.
  - Date work order is opened.
  - Hour meter reading at the time of work/service/inspection, etc.
  - Serial number of equipment being worked on.
  - Detailed description of the work to be performed on the equipment.
  - Parts list including any fluids used.
  - Date the work order is finished.
  - Chargeable items identified in the case of bare rentals.
  - Maintenance Repair Request number, if applicable.
  - Name and signature of mechanic performing the work
- The maintenance software, Fleet Cost & Care (FCC), automatically assigns a new work order number when a new work order is generated. This ensures that work orders can
be tracked no matter what stage they are in. Once a work order status changes to “closed”, in the program, no other information for that work order can be entered to it.

- Shop work orders are to be finished when repairs are completed, or at the end of each month. The maximum a “shop work order” can remain open is six (6) weeks. If a shop work order is opened on or after the 15th of the month it must be closed at the end of the following month.

- If work on a particular unit is still ongoing a new shop work order must be opened. The only exception to this policy will be on major rebuilds where repairs will be ongoing for several months. (e.g. insurance rebuilds that have been pre-authorized).

- Shop work orders will also be opened and finished on a monthly basis for all work in the shop and yard that is not directed to a particular unit. 3rd party work orders are created for customer charge backs and must be processed as soon as the work is completed.

- Operators and mechanics working on repairs to a particular piece of equipment must charge their time to the shop work order number. The hours spent by an operator or mechanic must be recorded on the timesheet referencing the work order number.

- Shop work order number, activity or activities performed and hours spent must be recorded on payroll timesheets.

- All parts and materials used in repair and maintenance of equipment that are drawn from inventory will be itemized on the shop work order with the exception of shop supplies (see also “Purchase Order System”). When parts are purchased direct for a specific unit, the purchase order must reference the work order and applicable activity.

- An integral part of the shop work order system will be the proper completion and submitting of Maintenance/Repair Request (MRR) forms. Information passed onto the maintenance department on these forms will be the bases for establishing priorities and required repairs.

- All repair and maintenance items performed on cranes are to be logged in the Crane Log Book.

- Upon completion of repairs on each crane or piece of equipment, the completed shop work order, complete with copies of FLRAs and MRRs, will be given to NCSG’s Maintenance Coordinator for posting of parts used and for final extension and billing for bare rentals. FLRA’s are forwarded to the HS&E department.

- All items on a shop work order, which are chargeable, will be clearly marked “Billable”.

- If it is not clear whether a repair is chargeable or not chargeable, the Maintenance Shop Foreman or the Maintenance Manager will make the final decision.
• Once completed, the shop work order will be filed by the Maintenance Coordinator.

9.6 Calibration of Equipment

Equipment used in the maintenance, repair and testing of NCSG equipment shall be calibrated as per manufactures specifications and recorded on the NCSG Equipment Calibration Record form. Where equipment calibrated by a 3rd party, NCSG shall ensure that the 3rd party has been verified and approved by the client and that the 3rd party has provided evidence of a current certification.

Equipment used to hoist or weigh, must be accompanied by the most recent inspections and calibration certification with the documentation being made available upon request.

10 Meetings and Communications

Where required, NCSG management and QC staff shall attend the client required meetings. These include but are not limited the following:

Alignment Meeting: review of the agreement, scope of work and applicable specifications, activities, and to review the NCSG ITP.

Mobilization (Kick-off) Meeting: to ensure adequate NCSG QC staffing, review NCSG QC procedures, review of client required forms and expectations.

Progress Meetings: to review ongoing progress, documentation and to discuss any issues or improvement opportunities as work progresses throughout the project.

Completion/Closure Meeting: conducted to review closeout of services provided, review of turnover documentation, and discuss any opportunities for improvement for future services.

11 Inspections and Auditing

11.1 Inspections (ITP)

NCSG utilizes formal and informal inspections along with observations, audits and investigations to ensure that work is being completed in a safe and efficient manner and the equipment is maintained to a specified level as outlined by the equipment manufacturer.

Inspections include:

• Pre and post use/trip equipment inspections
• Incoming and outgoing equipment inspections
• Annual equipment inspections
- Compliance monitoring
- Behaviour based safety observations
- Focused inspections (specific to work being performed)
- Investigations of all near misses and incidents
- Investigation of all instances of non-conformance to policies and procedures (NCR Code)
- Third party audits
  - COR, DOT, etc.

As part of the overall inspection program, NCSG shall provide access to the client for review of documentation or observation of processes. NCSG shall accommodate the client in these inspections by providing the following:
- Access to the facilities
- Necessary tools- such as calibrated measuring equipment and PPE required for safe access and inspections

11.2 Audits
Where required as part of the Client/Project Quality Plan, NCSG shall establish a QA Audit schedule in-conjunction with the scope of work and work schedule. Various audits focusing on HSE, Training, Maintenance, Purchasing and Engineering, etc. processes shall be scheduled into the QA Audit schedule. Actions from all audits shall be documented and tracked on the Corrective action Log with resolution of assigned actions being signed off by the Project Manager.

11.3 Non Destructive Testing (NDT)
NCSG shall conduct audits on the NDT Company doing 3rd party testing for any repairs to ensure that they meet the ISO/IEC 17025 General Requirements. Copies of the NDT Company’s certification shall be verified and made available upon request by the client. Where required NCSG shall use client approved independent NDT companies.

NCSG shall audit the NDT provider to ensure that personnel conducting testing are qualified in accordance to clients accepted standards.

NCSG shall provide NDT procedures to the client prior to inspections on critical work. (Crane boom or structural repair)

NCSG Engineering shall be consulted on all structural repair testing procedures.

NCSG shall make all NDT records available to the client upon request.
12 Documentation

Project documentation is a vital component to the QSAP. Project documentation is to be recorded and tracked throughout the life of the project and complied into a “Turnover Package” upon completion of the project. Documentation for the project shall be maintained and made ready for the client to audit throughout the project and is to remain available for a minimum of a year post completion.

12.1 Certificates—applicable to repair and NDT (No product manufacturing is provided by NCSG)

NCSG shall ensure that all test certificates and reports to identify the test method or procedure, certificate number, supplier, reference to applicable drawing or procedure or specification, equipment number and location.

12.2 Log books

The Crane Log Book is an important and integral part of any crane. Operators are required to have a completed and up to date log book at all times. All maintenance and inspections are to be documented in the unit logbook.
12.3 Client Supplied QC Forms and Required Project Submittals

Client shall provide copies of required QSAP forms at the Kick off meeting. Completion, review and tracking of required documentation is the responsibility of the Project Manager. NCSG Project management shall ensure timely and accurate reporting of the required information to the client on regular intervals with the client.

13 Management of Change

The purpose of this policy is to ensure a formal process is identified to be used for all changes, deviations, and amendments to existing or in place rules, practices, regulations, standards or processes. NCSG will use the client’s Form along with the Request for Information (RFI) for all change requests.

NCSG and its affiliated Companies programs, rules, practices, standards and processes are considered a minimum standard and where exceeded by Government or Regulatory laws, the Government or Regulatory laws will govern. Our programs, rules, practices, regulations, standards and processes and/or any part thereof cannot be changed, modified or deleted, unless as identified as below.
13.1 M.O.C Process

**Change—General:** would require an assessment and review involving stakeholders with subject matter knowledge in proposed change. The assessment would be documented on the variance form with the appropriate management sign off.

**Change—Impacting Operations:** would require a risk assessment developed by a joint team of stakeholders from Operations with subject matter knowledge in the current process or practice. The assessment would be documented on the variance form with the appropriate management sign off.

**Variance:** Following the assessment and review, all changes must be completed on a variance form. The variance form forms the basis for future reviews, revisions and discussion on policy/program/procedural revisions. As a part of risk management, appropriate approvals completed on the variance form must be in place prior to the change-taking place.

Careful considerations must be in place to look risk, specifically—Health, Safety, Environment, Financial, Insurance, Reputation, Quality Processes and Regulatory compliance.

The Management of Change (MOC) must be used for all permanent and temporary changes, deviations and amendments as described above. All impacted workers must be informed of any approved variance and have input into risk considerations prior to undertaking the task at hand.
13.2 Procedural Variance

Prior to a Procedural Variance being considered, a completed Variance Form (see appendix in QMS Manual) must be completed. This document must be kept on file with the Corporate Policy Committee.
13.3 Document Change
Where documents require changes, a “Document Change Request Form” is to be completed and submitted to NCSG management, reviewed and approved through the Policy review committee.
13.4 Design Change

Where an approved design requires changes, a “Design Review Checklist Form and Design Change Review Form” must be completed and submitted to NCSG management for review and approval through the Engineering and Purchasing Departments as required.
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<td>Product packaging and handling</td>
<td></td>
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<tr>
<td>Raw materials, tools and supplies</td>
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<tr>
<td>Product can be mass produced at a specified cost</td>
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<tr>
<td>Process parameters</td>
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<tr>
<td>At Design Transfer:</td>
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<tr>
<td>Initial products tested and approved (Validation)</td>
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<tr>
<td>Staff properly trained in manufacturing procedures</td>
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<tr>
<td>Handling and/or storage established</td>
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<tr>
<td>Packaging established</td>
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<tr>
<td>Distribution channels set up</td>
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<tr>
<td>Transportation and delivery established</td>
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<tr>
<td>Manufacturing fully capable of producing product</td>
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</tbody>
</table>
# Design Change Control Form

<table>
<thead>
<tr>
<th>Person Requesting Change:</th>
<th>Date:</th>
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</thead>
<tbody>
<tr>
<td>Department:</td>
<td>Contact Info:</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Product/Process:</th>
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</table>

<table>
<thead>
<tr>
<th>Reason for Change:</th>
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<table>
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<tr>
<th>Date Required:</th>
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</thead>
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<table>
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<tr>
<th>Description of Change: (include all relevant documentation/testing):</th>
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</thead>
</table>

- Does this change significantly alter the intent or scope of the product? □ Yes □ No
  - If Yes, describe

- Does this change significantly impact other products or processes? □ Yes □ No
  - If Yes, identify affected products or processes

- Does this change require review and approval by other functions? □ Yes □ No
  - If Yes, identify affected functions

<table>
<thead>
<tr>
<th>Received by:</th>
</tr>
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<table>
<thead>
<tr>
<th>Quality Control by:</th>
<th>Date:</th>
</tr>
</thead>
</table>
13.5 Corrective Action Log

All changes, variations and non-compliances are to be tracked on the “Corrective Action Log” with reference to the NCR #, dates, and assigned actions. The Corrective action is to be maintained by the Quality Manager and reviewed by project management team regularly to ensure closure of actions and accurate record keeping throughout the project.

14 Subcontractor Management Process

14.1 PURPOSE

NCSG Crane & Heavy Haul Services and its affiliated companies referred to as NCSG have developed a Subcontractor Management process to ensure adequate and proper management of all Subcontractor’s in order to prevent potential injury to employees, Contractors, and the public and prevent potential damage to property while operating within NCSG areas of responsibility. In the role of prime Contractor and or general Contractor or when engaging a subcontractor, NCSG has a responsibility to ensure selected Subcontractors are competent to perform the contracted work in a safe manner and comply with the established project requirements. NCSG has established a Subcontractor Management process for
identifying the criteria for Subcontractor selection, compliance monitoring criteria, and post contract evaluation.

It is a management priority for NCSG to only select Subcontractors who can safely deliver a quality job, on time and within budget constraints. NCSG accomplishes this task through a thorough evaluation and selection process.

14.2 SCOPE AND APPLICATION

The scope of this process is to provide a consistent and standardized process for evaluating, selecting and managing Subcontractors to NCSG. Subcontractors are treated just like an employee, all the same applicable rules/policies/ training requirements and procedures apply. This involves managing the Subcontractor prior to site mobilization to ensure all Subcontractors meet, as a minimum, the certification requirements through to NCSG performing a prequalification evaluation involving the review of the Subcontractor Health and Safety history, through to reviewing the Subcontractor’s HS&E program and leading to monitoring the Subcontractor’s performance during project activities and a post project evaluation.

In conjunction with referenced legislation, clear and concise direction drives the standards, which are to be viewed as the minimum requirements identified by NCSG.

This Process applies, without exception, to all NCSG companies.

14.3 DEFINITIONS

Pre-Contract Phase: Period prior to assigning a Sub Contractor Agreement or Employment Services Contract, during which the Subcontractor is evaluated and verified as being competent to safely deliver quality work within schedule and requirements.

Subcontractor Agreement: This is our standard agreement or services contract that applies to companies providing services, personnel and or equipment to perform or conduct work under our overall responsibility or on our behalf.

Employment Services Contract (direct service provider): This is our standard agreement or services contract that is only applicable to consultants, individuals or direct service hire contractors who are only operating in the capacity as an individual. This may include but not limited to Project Managers, Managers, Engineers, Drivers, etc.

Contract Supervisor: The individual within NCSG deemed responsible for supervising the Subcontractor and administering this contract or direct service agreement.

Contract Phase: Period when the contract or direct service agreement is deemed active and the Subcontractor executes the work. NCSG monitors Subcontractor compliance to established HSE
standards, monitors against NCSG HS&E Expectations and initiates corrective action as required.

**Post-Contract Phase:** When contracted work or direct service agreement has been completed and Subcontractor performance is evaluated to determine suitability for future work.

**Risk Reduction Plan:** A plan prepared by the Contract Supervisor and applicable HS&E Advisor when awarding to a risk rated Subcontractor, this plan must be approved by the applicable NCSG Manager and by the Corporate Manager—HS&E. This plan will address missing or weak areas within the detailed assessment of the subcontractor’s HSE program. This would include but not limited to safe work practices, task hazard assessments, all elements of HSMS.

### 14.4 EXPECTATIONS

The Subcontractor Management process shall provide required and adequate guidelines to ensure knowledge of current NCSG processes related to HS&E management of Subcontractors from the pre-contract phase through the site work execution and post control phase evaluation. This process will ensure mitigation of all potential hazards to the client, employees, Subcontractors, visitors and the general public within NCSG areas of responsibility. This Subcontractor Management process will be reviewed at a minimum of every three years.

This process shall supplement, but not supersede any regulatory Provincial/State/Federal legislation within the operational areas of responsibility of NCSG.

Legislative changes shall be monitored by Health, Safety and Environment as per the Legislative Tracking and Updating Process.

Health, Safety and Environment documents will be made available to all personnel.

When the Health, Safety and Environment Management system is updated a revision record will be posted to all employees notifying them of the update.

### 14.5 ROLES AND RESPONSIBILITIES

**14.5.1 Contract Supervisor**

- Facilitate Subcontractor evaluation process and forward completed evaluations to the Purchasing Manager.
- Monitor compliance to the established HS&E management system. (ensure appropriate subcontractor agreement is signed, WCB coverage and clearance is in place, adequate insurance in place, applicable training certifications in place, verify
copies of driver abstracts, criminal record checks—as applicable, and ensure Alcohol and Drug testing program in place)—Verify through S2web.

- Provide, collect and forward all documentation as required within this process. Act as the primary contact point between Company (NCSG) and the Subcontractor.
- Lead a post contract review of the Subcontractor project performance and document on the contractor evaluation form. Completed forms are to be sent to the Purchasing Manager.
- Chair all meetings with subcontractor.
- Ensure subcontractor is orientated to NCSG HS&E program.
- Advise Subcontractor of site hazards that may have an impact on their work.
- Verify implementation of the Subcontractor site specific HS&E plan where applicable.
- Overall responsibility for compliance monitoring.

### 14.5.2 Corporate Manager—HS&E

- Ensure Contractor Information Form (CIF) is has been entered into S2web by HS&E Admin.
- Establish and review the standard for evaluation of Subcontractor pre-qualification documents.
- Assign the applicable HS&E Advisor to review all risk ranked (Red) Subcontractor documents as supplied from the Contract Supervisor and Subcontractor.
- Review the risk plan and approve for each subcontractor ranked as red.
- Ensure subcontractors Alcohol and Drug Program and audit application meet NCSG expectations.
- Ensure applicable HS&E Advisors conduct ongoing Subcontractor compliance evaluations and advise.
- Contract Supervisor of findings—findings and inspections will be maintained in S2web.

### 14.5.3 Purchasing Manager

- Overall responsibility for the vendor management list.
- Responsible for contractor evaluations and adjust approved vendor lists as appropriate.

### 14.5.4 Subcontractor

- Comply with the requirements as identified in NCSG HS&E management system.
- Submit weekly or monthly HS&E summary report as agreed to at pre-award meeting etc.
14.5.5 **Supervisor**

- Immediately correct any violations or infractions which have been brought to the attention of the supervisor, which did or could result in an incident or injury to the worker, employees, Contractors, or general public within the area.
- Provide in accordance with NCSG programs, any corrective action or discipline required for ensuring compliance with this process and document said action appropriately.

14.5.6 **Management**

- Ensuring compliance with this process, by all levels of the company including Contractors, visitors and the general public within NCSG areas of operation or active worksites.
- Adequate training and monitoring for compliance is established through the use of the Health, Safety and Environment team.
- Overall responsibility for the Subcontractor Management Process.

14.5.7 **Health, Safety and Environment Team**

- Develop and review as outlined in Health, Safety and Environment program this process to ensure current compliance with all regulatory legislation and company practices.
- Amend and maintain this process within the defined review period.

14.6 **METHOD**

14.6.1 **Subcontractor Control Requirements**

Subcontractor Management will take place at three phases from an HS&E point of view: pre-contract, active, and post contract.

14.6.2 **Pre-Contract Phase**

Subcontractor Pre-Qualification: The Contract Supervisor will review S2web to verify if proposed Subcontractor presently exists in our system. If the Subcontractor exists in S2web, the Contract Supervisor will review the risk ranking to determine if a full review is required (full review is required for Red or Risk Ranked and Subcontractors not presently entered into S2web- see 6.2.2). The Subcontractor information within S2web is then evaluated to see that it is not expired and not older than 2 years; WCB clearance letter, subcontractor agreement, insurance, etc. Post review of the Subcontractor information (barring Red Risk Ranked) the Contract Supervisor will meet with the contractor to:

- Review scope of work
- Provide NCSG Orientation
- Review Contract terms and condition (including terms posed to NCSG from clients
- Sign and formalize Subcontractor Agreement
• Update information in S2web for contractor (e.g. Subcontractor agreement, etc)

14.6.3 Awarding to a Risk Rated Contractor

Subcontractors not entered into S2web, missing information, expired information, Red Risk Ranked, please use the following:

• Contract Supervisor will forward to the Subcontractor the Contractor Info Form (CIF) for completion and return. Additionally, the Subcontractor is further requested to provide:

  • Driver abstracts
  • GST Number
  • Training records and certifications
  • Copies of insurance
  • WCB clearance letters
  • Safety statistics and records (if applicable)
  • Vehicle or equipment safety fitness certificates (if applicable)

• The Contract Supervisor will then forward the CIF and above documentation to the HS&E Admin for entry into the S2web system.
• The HS&E Admin upon receipt of the above info will data enter into the S2web system. The HS&E Admin will review the risk ranking provided in S2 web and notify the Corporate Manager—HS&E for any Red Risk ranked subcontractor(s) in the system.
• The Corporate Manager–HS&E will review the Red risk ranked contractors and will assign an HS&E Advisor to develop a Risk Plan for approval.
• Assigned HS&E Advisors will review and gap analysis the Red risk ranked subcontractors HS&E program against our expectations and expectations as they may exist from client/contracts assigned to us. A formal Risk Plan will be developed by the HS&E Advisor working in consultation with the Contract Supervisor to address areas of weakness or deficiency.
• Developed Risk Plan will be forwarded for review and approval by the Corporate Manager–HS&E.
• Approved Risk Plan’s will become an appendix term under the Subcontractor agreement and entered into S2web upon approval.

The Vice President HS&E must be advised of all risk rated Contractors used.

14.6.3.1 Subcontractor Written Program (not applicable to direct service providers)

Subcontractor (where applicable) shall provide NCSG for review a copy of their company HS&E program.

The Contractor’s written HS&E program (at a minimum meets NCSG’s standards) will be required to address the following:
Leadership Issues: policy, audit, authority;
Specific HS&E Responsibilities Assigned (E.g. site manager, line supervisor, HS&E advisor, worker etc.);
Planned Inspection & Audit Guidelines;
HS&E Communication Requirements;
Incident Management (reporting, recording & investigation);
Training (company, project and skill specific requirements);
Environment;
Subcontractor Controls (i.e. selection, monitoring and post-contract evaluation);
Hiring & Placement;
Security;
Recordkeeping;
Work Procedures & Methods (specific standards and procedures for work activities that the Subcontractor will conduct on site);
General Rules;
Office Safety;
Recognition & Awareness;
Emergency Response Planning;
Occupational Health Services;
Alcohol and Drug Testing Program;
Journey Management Program;
Stop Work Authority;
Fitness to Work.

The Subcontractor will supply a copy of their company HS&E program to both the Contract Supervisor and Corporate Manager–HS&E prior to starting work on site.

14.7 Active Contract Phase

This is the phase of the project where work is ongoing. The NCSG Contract Supervisor has a responsibility to ensure Subcontractor’s continue to comply with company requirements.

14.7.1 Subcontractor Weekly Report (as applicable)

On a weekly basis or as per NCSG Direction, Subcontractors will submit an HS&E summary report detailing their activities for the past week to the Contract Supervisor. This report will include the following:

- Number of personnel on site;
- Number of hours worked, including Subcontractor’s of Subcontractor’s;
- Number of incidents by type;
- Training program delivered and number of attendees;
- Number of Orientations conducted;
- Number of HS&E Communications Meetings conducted;
- Number of Pre-Job Instruction meetings;
- Number of Planned Inspections conducted;
- Details of outstanding actions from inspections, investigations, and HS&E communications meetings.

### 14.8 Post Contract Phase
After the completion of a project, the applicable NCSG HS&E advisor and NCSG Contract Supervisor will review the Subcontractor’s project performance. (at least done annually) The result of the evaluation will be forwarded to the Purchasing Manager for their reference. This information will be used to determine future suitability of a Subcontractor.

### 14.9 Compliance Monitoring
The following actions will take place while monitoring Subcontractor compliance to the plan:
- Verify Subcontractor’s compliance to the established HS&E management system
- Verify Subcontractor’s compliance to their own HS&E program
- Verify all issued "Confirmation of Violation of Contract HS&E Requirements" have been followed up and closed out.

### 14.10 Documents
The following documents will be maintained in S2web;
- Copies of Subcontractor pre-qualification;
- Contractor Information Form;
- HS&E Summary Report as required;
- Copies of "Confirmation of Violation of Contract HS&E Requirements" issued to the Subcontractor;
- Risk Reduction Plan for Risk Rated Subcontractor’s;
- Signed Subcontractor agreement.

### 14.11 TRAINING REQUIREMENTS AND MATERIALS
- Subcontractor Management Process
- Flow Process Subcontractor Management
- Contractor Info Form
- Employment Services Contract
- Subcontractor Agreement