

**ICMI Cyanide Code Transportation
Certification Audit
Summary Report**

**Intermodal Cartage Co., Inc.
Memphis, TN**

**Submitted to:
International Cyanide Management Institute
888 16th Street, NW – Suite 303
Washington, DC 20006
USA**

2010 Audit Cycle



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**Management System Solutions, Inc.
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Orlando, FL 32878
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Name of Operation:	Intermodal Cartago Co., Inc. 5707 East Holmes Road Memphis, TN 38141-8206
Name and contact information for IMCGG Contact:	Mr. Kelly Peeks Safety Manager - ILS Email: kpeeks@iils.com Phone: +1-901-746-1641 Fax: +1-901-746-1644

Location detail and description of operation:


Intermodal Cartage Company, Inc. (IMCG) has been an established trucking operation in Memphis, TN since 1982. The company has thirteen locations in the Midwest and Southern part of the USA. The company has been transporting solid sodium cyanide for DuPont from the DuPont Memphis Plant and the associated LSI packaging facility to nearby rail heads in Memphis, Tennessee and Marion, Arkansas since October 2006. Local shipments to rail heads and the 2010 shipments made to ocean ports were evaluated as part of this audit.

The operation was originally audited and was found to be in full compliance to the ICMI Cyanide Code in 2007 using the non-certification approach that was available at that time. Solid sodium cyanide is packed into intermodal containers by DuPont personnel at the DuPont Memphis Plant and Lemm Services, Inc. (LSI) personnel at the adjacent LSI packaging terminal. Cyanide shipments are dispatched by DuPont personnel at the DuPont Plant and by an Intermodal Cartage employee who is a resident contractor at the LSI packaging facility.

IMCG is affiliated with a number of companies operating from the same industrial complex including Inland Intermodal Logistics Services (ILS) and River City Capital Leasing, LLC. ILS provides safety and risk management services to IMCG and preventive maintenance is performed by River City Capital Leasing, LLC. Personnel from IMCG, ILS, and River City Capital Leasing were audited during this certification audit.

IMCG and its sister companies are responsible for route determination, shipment tracking, truck inspections, preventive maintenance, training, safety program management, and emergency response planning. All of these operations were reviewed during the certification audit. The ICMI-approved Transportation Auditor verified that IMCG operations are in FULL COMPLIANCE with Cyanide Code requirements for transporters.

IMCG Cyanide Transportation
Name of Operation


Lead Auditor

September 30, 2010
Date

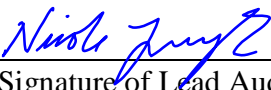
Auditor's Finding

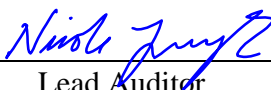
This operation is in FULL COMPLIANCE with the International Cyanide Management Code.

Audit Company:	Management System Solutions, Inc. www.mss-team.com
Audit Team Leader:	Nicole Jurczyk E-mail: CodeAudits@mss-team.com
Date(s) of Audit:	May 11-12, 2010

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.

I attest that this Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

<u>IMCG Cyanide Transportation</u>		<u>September 30, 2010</u>
Name of Operation	Signature of Lead Auditor	Date

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IMCG maintains documented procedures that address pre-trip inspections, preventive maintenance, limitations on driver hours, and the drug and alcohol abuse prevention program. Records from pre-trip inspections were sampled and were found to be complete. Preventive maintenance is contracted out to an IMCG sister company by the name of River City Capital Leasing, LLC. The maintenance shop is located at the same facility as IMCG and the two companies share the same Senior Leadership. A complete preventive maintenance service is performed per manufacturer recommendations. Annual inspections are also conducted per United States Department of Transportation requirements. Owner-Operators are required to submit maintenance records to IMCG monthly and to maintain their equipment to the same standards as IMCG maintains its own trucks. Computer system controls are in place to prevent the dispatch of equipment for which critical inspection and/or preventive maintenance tasks have not been done. Equipment preventive maintenance files were reviewed and were found to be acceptable.


The Safety Program includes limitations on drivers' hours in accordance with U.S. Federal Motor Carrier Safety Regulations (FMCSR). Drivers and dispatchers were very aware of the requirements, (i.e., number of driving hours, on duty hours, rest, etc). ICMG utilizes an ILS auditor to monitor driver logs and adherence to limits on driver hours. Records specifically for cyanide drivers were evaluated during the audit. Additionally, the internal safety compliance auditor was interviewed. The computer database showed that there were no "hours of service" violations on file for cyanide drivers for 2010, which was the timeframe sampled. The majority of shipments are short distance shipments that occur during day-time hours. For over-the-road shipments, driver's logs are prepared on each trip and sent into the log auditing program to ensure regulatory compliance and adherence to company policy.

Interviews with drivers and dispatchers confirmed that they can modify or cancel a shipment if driving conditions are considered to be unsafe. Any significant changes to the route or a suspension of the delivery are discussed with management as necessary.

A drug abuse prevention program is part of the company's overall safety compliance program. Drivers are randomly required to undergo drug and alcohol random sampling on a regular basis.

Records demonstrating compliance with all Cyanide Code safety program requirements were well organized and readily available for review during the audit.

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Transport Practice 1.5: Follow international standards for transportation of cyanide by sea and air.

The operation is in full compliance with
in substantial compliance with Transport Practice 1.5
not in compliance with

Summarize the basis for this Finding:

At the time of the audit, IMCG was delivering intermodal containers to rail heads near the DuPont Memphis Plant and, to a lesser extent, directly to ocean ports as requested to do so. Packing, blocking and bracing is performed by LSI, a DuPont contracting packaging terminal. Adherence to the requirements of the Dangerous Goods Code (IMDG) of the International Maritime Organization was confirmed during audits of this organization. IMCG personnel apply placards to the containers. The IMCG employee responsible for placarding the sea containers was audited and the placards and markings on the sea containers were appropriate. The recent IMDG changes to the marine pollutant placard have been fully implemented and were visible on intermodal containers observed during the audit.

Transport Practice 1.6: Track cyanide shipments to prevent losses during transport.

The operation is in full compliance with
in substantial compliance with Transport Practice 1.6
not in compliance with

Summarize the basis for this Finding:

Drivers have a number of different ways to communicate including a cell phone, radio, and an onboard fleet management computer system. Cell phones are used daily, but do not undergo periodic testing for functionality. The fleet management system is in continuous use and problems with the tracking system would become readily apparent. There are no shipments made through rugged and/or mountainous regions. Black out areas do not present a problem on the routes traveled because several different communication methods are available. No blackout areas or procedures were deemed necessary by the company. IMCG's approach to managing its communication needs was found acceptable by the auditor.

Cyanide shipments are tracked by dispatchers who are in contact with drivers throughout a shift. Interviews with dispatchers and drivers confirmed the process used for tracking shipments. Additionally, each truck is equipped with GPS tracking. Interviews indicated that this system provides real-time information regarding the location of each truck shipment. Intermodal

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containers are sealed and seal numbers are recorded and checked at the time of pick-up and discharge. The in-gate information from the rail heads was reviewed and confirmation was made that chain of custody documentation and processes are appropriate for maintaining control over inventory and prevent the loss of cyanide during shipment.

Drivers have shipping documentation including the Bill of Lading with them at all times during a shipment. Bills of Lading were reviewed. Information regarding the type of material transported, the type of container, the number of packages, and the weight of the shipment is consistently entered onto the Bill of Lading by the shipper. Drivers also have the sodium cyanide MSDS and Emergency Response Guides with them during deliveries. This practice was confirmed through interview and a review of information kept in trucks.

2. INTERIM STORAGE: *Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.*

Transport Practice 2.1: *Store cyanide in a manner that minimizes the potential for accidental releases.*

The operation is in full compliance with
in substantial compliance with Transport Practice 2.1
not in compliance with

Summarize the basis for this Finding:

IMCG does not have any cyanide interim storage responsibilities. A policy was recently created that defines the specific requirement that cyanide shipments not be brought to the IMCG yard unless there is a problem that needs to be resolved. A record was available to show that this requirement was communicated to appropriate personnel.

3. EMERGENCY RESPONSE: *Protect communities and the environment through the development of emergency response strategies and capabilities*

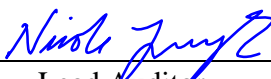
Transport Practice 3.1: *Prepare detailed emergency response plans for potential cyanide releases.*

The operation is in full compliance with
in substantial compliance with Transport Practice 3.1
not in compliance with

Summarize the basis for this Finding:

IMCG has documented cyanide emergency response plans (ERPs) for local deliveries and over-the-road shipments to ocean ports that address all of the Cyanide Code requirements for the

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Transport Practice 3.3: *Develop procedures for internal and external emergency notification and reporting.*

The operation is in full compliance with
 in substantial compliance with Transport Practice 3.3
 not in compliance with

Summarize the basis for this Finding:

The notification procedures, including telephone numbers, are described in the Emergency Response Plans. In the case of an emergency, drivers are instructed to contact their dispatcher and the Safety office at the main office. Drivers have the necessary telephone numbers noted on the paperwork they carry in their trucks. Interviews confirmed that IMCG works with the shipper to ensure that notification procedures and telephone numbers remain current. The plan, including notification information, is also reviewed each year for adequacy.

Transport Practice 3.4: *Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.*

The operation is in full compliance with
 in substantial compliance with Transport Practice 3.4
 not in compliance with

Summarize the basis for this Finding:

IMCG only has procedures that detail their role in an emergency which is primarily a notification role. IMCG would employ the services of a professional emergency response team to respond to an emergency and remediate as necessary. The current contract including the contractor scope of services was reviewed as part of the audit process. IMCG would also work closely with the shipper of the cyanide in the event of a release. Interviews with IMCG confirmed employee awareness of the hazards of using de-contamination chemicals in surface waters.

IMCG Cyanide Transportation *Nicole Jung* September 30, 2010
Name of Operation Lead Auditor Date

