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# INTERMARINE



**ICMI International Cyanide Management Code  
Summary Audit Report**

**Industrial Maritime Carriers, LLC**

**Submitted to:  
The International Cyanide Management Institute  
1400 I Street, NW – Suite 550  
Washington, DC 20005  
USA**



## Industrial Marine Carriers, LLC - Operational Summary

### Company Names & Contact Information

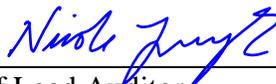
<b>Name and address of Operation:</b>	Industrial Maritime Carriers, L.L.C. Industrial Terminals 14035 Industrial Rd Houston, TX 77015  Corporate Office: 2900 North Loop West, Suite 1100 Houston, Texas 77092
<b>Name and contact information for IMC:</b>	Duncan Cooke Project Engineer IMC, L.L.C. <a href="mailto:Duncan.Cooke@intermarine.com">Duncan.Cooke@intermarine.com</a>

### Operational Overview

Industrial Maritime Carriers, LLC is a marine logistics and ocean transport provider headquartered in Houston, TX that has operated in the US for close to 30 years. Industrial Maritime Carriers (IMC) sodium cyanide port operations are managed for them by Watco at the Industrial Terminals facility located in the Port of Houston, Texas. IMC's certified cyanide operations consist of the following components: storage and distribution of solid sodium cyanide in the Industrial Terminal port facility in Houston using contracted services and the ocean transport of solid sodium cyanide to international ports using IMC contracted ocean vessels.

The Industrial Terminals cargo port is part of the facilities owned by Watco Companies on 95 acres of waterfront adjacent to the Houston Ship Channel. Watco provides the labor, foremen and supervisors responsible for providing and operating terminal equipment at Industrial Terminals. These services include the loading of sodium cyanide cargo. IMC contracts ocean vessels (including the crew) to transport cargo, including sodium cyanide, to destination ports. IMC and Watco personnel participated in the audit.

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Sodium Cyanide is received by IMC in ISO tanks and shipping dry vans (intermodal containers) which are stored at the port or loaded directly onto shipping vessels. IMC is responsible for route determination, shipment scheduling and tracking, training, safety program management, contractor management, and emergency response planning.

## Audit Implementation

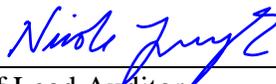
This report contains information regarding the on-site International Cyanide Management Code (ICMC) certification audit of the IMC LLC cyanide ocean transportation operations, including interim storage at the Industrial Terminals port facility.

Interviews were conducted with IMC and Watco personnel, policies and procedures were reviewed, records were evaluated, operations were physically observed, and equipment and facilities were physically inspected.

The audit was conducted according to the ICMI Cyanide Transportation Protocol. The audit was performed by an ICMI-qualified independent third-party audit team, that fulfilled all ICMI Cyanide Code requirements, including Lead and Transportation Technical Auditor requirements.

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## Auditor's Finding and Attestation

Cyanide management practices for the IMC, LLC cyanide ocean transport operations, including interim storage at Industrial Terminals, were evaluated for ICMC compliance using the *ICMI Cyanide Transportation Verification Protocol*. IMC internal policies, standards, and procedures regarding the management of the cyanide storage and transportation were reviewed.

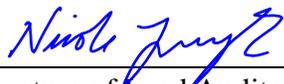
The audit was conducted through discussions and interviews with IMC and relevant subcontracted personnel. Operations, facilities, and equipment were physically evaluated. Records regarding shipment tracking, security measures, shipping documentation, community involvement, operational procedures, training, maintenance, and emergency response records were randomly sampled during the audit and were also found to be acceptable. All personnel were very well prepared for the audit. The auditor found that the overall level of preparedness and understanding of ICMC requirements was excellent.

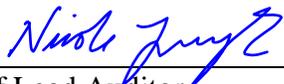
The IMC cyanide transportation operations were found to be in FULL COMPLIANCE with the ICMC International Cyanide Management Code requirements.

Audit Company:	MSS Code Certification Service, a division of Management System Solutions, Inc. <a href="http://www.mss-team.com">www.mss-team.com</a>
Lead / Technical Auditor:	Nicole Jurczyk E-mail: <a href="mailto:njurczyk@mss-team.com">njurczyk@mss-team.com</a>
Auditor:	Nancy Sims
Date(s) of Audit:	June 8 – June 10, 2020

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Certification 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 Certification Auditors.

I attest that the Audit Reports accurately describe the findings of the certification audit. I further attest that the certification 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.

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**1. TRANSPORT:      *Transport cyanide in a manner that minimizes the potential for accidents and releases.***

Transport Practice 1.1:      *Select cyanide transport routes to minimize the potential for accidents and releases.*

The operation is       in full compliance with  
                                  in substantial compliance with      Transport Practice 1.1  
                                  not in compliance with

*Summarize the basis for this Finding:*

Ocean routes are chosen by the ocean vessels and are regulated by a number of international organizations including the International Maritime Organization (IMO) and the U.S. Coast Guard. Vessel routing is re-evaluated by IMC each time a voyage is constructed considering weather, political, and disease conditions and necessary adjustments are made. The captain of the ship has the authority to make any routing adjustments necessary to safely complete the voyage and communicates regularly with IMC personnel throughout the voyage. IMC has implemented a procedure to evaluate risks of cyanide transport routes (starting and ending ports) and takes necessary measures to manage identified risks. The only port specifically included in this certification audit is the Industrial Terminals port in Houston, Texas. No specific high-risk safety or security concerns currently exist for cyanide shipments or along the shipping routes used by the ocean vessels.

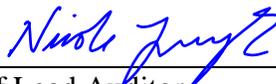
External responders have been advised of their roles in the event of an emergency. The port is operated by Watco, a company that is Cyanide Code certified under the Cyanco North America Rail & Truck Supply Chain. Confirmation was made that Cyanco (Shipper) and Watco (Port Owner / Operator) maintain community and stakeholder interactions regarding the shipment of cyanide. This includes interactions with external responders, medical facilities, and communities regarding their role during an emergency response.

IMC contracts several parts of its operations including: material handling and ship loading at the port and ocean vessel maintenance and operation during transportation.

The sub-contractor used for material handling and ship loading is Watco. Port Captains, who are employees of IMC manage material handling and ship loading activities very closely. Watco personnel, including the Watco Senior Safety Manager were interviewed during the audit. Awareness of ICMI requirements was excellent. The Watco employees must adhere to IMC

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standard operating procedures (SOPs) and performance is evaluated on a regular basis. Watco is named in the SOPs as the only contracted material handling operator.

Regarding the selection and approval of ocean vessels, IMC complies with its Sodium Cyanide Cargo Handling Procedure Section 8.0 and contracts only pre-approved ocean vessels for the transportation of sodium cyanide. At the time of the audit, the pre-approved ocean vessels were: M/V Courage, M/V Constant, M/V Color, M/V Confidence, M/V Ace, and M/V Ama.

Approved ocean vessels are required to maintain hazardous cargo carriage certification and training in accordance with IMO regulations and have agreed to fulfill ICMC requirements. Records were on file for all vessels. IMC also holds a Charter Party (contract) with each of the Ocean Vessels binding the carrier to comply with all legal obligations.

The Sodium Cyanide Cargo Handling Procedure Section 10.0 states that if the handling of sodium cyanide cargo is subcontracted, the subcontract company must be made aware of handling and training requirements. The subcontractor must be provided a copy of the procedure and provided with appropriate cyanide awareness training. Records were available to show that this had been done for the ocean vessels. The subcontractor Watco is currently cyanide certified through the Cyanco Supply Chain and has demonstrated awareness of ICMI requirements in addition to IMC procedural requirements. A Watco Senior Safety Manager was interviewed during the audit and awareness of requirements and safety information was very good.

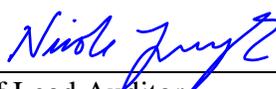
*Transport Practice 1.2: Ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.*

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 1.2  
 not in compliance with

*Summarize the basis for this Finding:*

IMC maintains a written procedure to ensure that its subcontractors operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment. Port personnel (IMC Port Captain and Watco contracted personnel) are trained on cyanide handling procedures and on Cyanide Awareness. Watco is currently cyanide certified through the Cyanco Supply Chain and the certification is current. A Watco Senior Safety Manager

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was interviewed during the audit and awareness of requirements and safety information was very good.

Only trained, qualified, and licensed captains and crew operate the ocean vessels. Records were sampled during the audit and were found to be acceptable. Approved ocean vessels have maintained required hazardous cargo carriage certification and training in accordance with IMO regulations and have agreed to fulfill ICMC requirements. Approved Ocean vessel Captains have current HAZMAT training certificates, these were available for review during the audit.

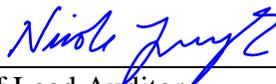
The International Convention of Standards of Training, Certification and Watchkeeping for Seafarers (STCW) established in 1978 sets qualification standards for masters, officers, and watch personnel on seagoing merchant ships. STCW mandates that all officers and crew working on ocean going vessels must complete/renew their dangerous goods / hazardous materials training every five years. Vessels in this supply chain call into U.S. ports and are therefore also subject to U.S. Coast Guard requirements that mandate hazmat training to be renewed every three years.

IMC enters a Charter Party contractual agreement with ocean vessels it has pre-approved to carry sodium cyanide cargo. This agreement binds the carrier to abide by all legal requirements while transporting the IMC cargo. In addition, ocean vessels are pre-approved per the *Sodium Cyanide Cargo Handling* procedure Section 8.0. Each pre-approved ocean vessel and crew must maintain certification to carry dangerous goods and appropriate HAZMAT training.

The *Sodium Cyanide Cargo Handling* procedure Section 10.0 requires that personnel associated with receiving, handling, storing, loading or transporting Sodium Cyanide cargo will be appropriately trained. IMC produced training records for ocean vessel captains and IMC employees.

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Transport Practice 1.3:      *Ensure that transport equipment is suitable for the cyanide shipment.*

The operation is       in full compliance with  
 in substantial compliance with      Transport Practice 1.3  
 not in compliance with

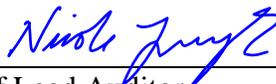
*Summarize the basis for this Finding:*

IMC transports sodium cyanide via ocean vessels. Ocean vessels are not owned or operated by IMC however each ocean vessel must be pre-approved by IMC and is contractually obligated to adhere to all legal requirements. The ocean vessels are marked with load lines that are used to verify that the cargo does not exceed the allowable weight for that vessel. The proper loading of ships is addressed by Safety of Life at Sea (SOLAS), IMO, and IMDG regulatory requirements. The Stowage SOP details how the stowage plan, including the weights of all the cargo, is considered and planned against the ship's weight capacity. Stowage Diagrams were reviewed during the audit and were found to be appropriate. Coast Guard inspections are also conducted frequently to ensure regulatory compliance.

At the terminal, IMC, through its contracted port operator (Watco), handles sodium cyanide in standard ISO shipping containers and sea containers which are handled by top loaders, reach stackers, and forklifts. All material handling activities are performed by Watco. Equipment is adequately sized for the cyanide cargo loads and is inspected daily. Watco is Cyanide Code certified through a Cyanco North America Rail & Truck supply chain.

IMC ensures subcontractors involved in the handling and transport of sodium cyanide have transport equipment that is suitable for the cyanide shipments. Subcontractors must comply with regulatory requirements regarding the maintenance and inspection of ships. They must also comply with the terms in the Charter Party (contract) and with the details of the IMC *Sodium Cyanide Cargo Handling* procedure. Terminal and vessel personnel are provided with this information and are trained appropriately on the applicable requirements. Current ship authorization records indicating the regulatory compliance of the ships being used for cyanide shipments were reviewed and were found to be acceptable. Watco is the subcontractor used by IMC and Watco is currently cyanide certified through the Cyanco supply chain.

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Transport Practice 1.4:      *Develop and implement a safety program for transport of cyanide.*

The operation is       in full compliance with  
                                  in substantial compliance with      Transport Practice 1.4  
                                  not in compliance with

*Summarize the basis for this Finding:*

IMC has programs in place for employees and subcontractors to ensure safe handling of cyanide including: a cyanide awareness training requirement for individuals who handle cyanide cargo, an equipment preventive maintenance program, a drug abuse prevention program, a stop work authority policy, an 11-hour terminal shift schedule, and monthly safety reviews. These policies were reviewed during the audit and found to be acceptable.

According to interviews and a review of cargo photos, placards are used to identify cyanide shipments, in accordance with Dangerous Goods regulations. There was no cyanide in storage at the port at the time of the audit.

IMC develops a Stowage Plan for each voyage which is reviewed and approved by the Master of the Vessel. The full scope of the cargo, the transport vessel, the blocking and bracing, and the deck plan are all considered in determining the placement of dangerous cargo. The Stowage Plan is developed according to a formal procedure and IMDG segregation requirements, which ensure that sodium cyanide is segregated from acids, oxidizers, and explosives.

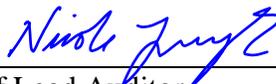
Examples of stowage plans were reviewed during the audit and demonstrated that the sodium cyanide has been stored next to non-chemical cargo and away from acid cargo. Additionally, visual checks of container integrity are conducted upon receipt of the cargo at the terminal, daily during terminal inspections, and upon vessel loading by the port captain. Cargo is packed into sea containers or loaded into ISO tanks by the shipper.

Prior to each sailing, there is a walk-around that is done by the Port Captain (an IMC employee). Any safety concerns are noted and resolved. A formal checklist is used for the inspection. The forklifts and cranes are maintained by the subcontractor and port owner Watco. Watco is currently cyanide certified through the Cyanco Supply Chain. They are inspected daily prior to use, any issues are brought to the Equipment Manager's attention.

Vessel maintenance is performed by the vessel owners. Different parts of the ship are certified as being operational, according to IMO and contractual requirements. IMC maintains certifications regarding the lifting equipment and the overall compliance status of the vessels.

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All vessels must follow officer & crew work/rest guidelines set by the MLC (Maritime Labour Convention) which dictates that the crew can work no more than 14 hours and must rest a minimum of 10 hours per 24-hour period.

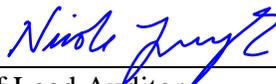
Cargo is packed into sea containers or loaded into ISO tanks by the Shipper. The Port Captain works together with the Captain of the vessel to ensure that all necessary lashing and bracing is properly installed when the cargo is brought onboard. Photos are retained from each sailing that show cargo placement and equipment used to ensure that loads do not shift. Photos were reviewed during the audit. Lashing and other bracing techniques were found to be appropriate.

IMC operates with a policy that every person has the right to stop work that they deem unsafe under the Stop Work Authority Policy – Procedure 209. There is a written drug abuse prevention program for employees and sub-contractors in the Employee Handbook. The policy allows for mandatory pre-employment, random and for cause drug and alcohol testing of employees with rehabilitation opportunities offered. All employees are required to sign the drug and alcohol policy prior to consideration of employment.

IMC ensures that its sub-contractors operate under safety program requirements that fulfill ICMI requirements. Watco is currently cyanide certified through the Cyanco supply chain. IMC meets monthly with Watco to review safety and there is an annual audit conducted to verify compliance. Vessels and crew compliance with safety, maintenance, and training requirements are tightly controlled by the U.S. Coast Guard and other regulatory entities that ensure fulfillment of United Nations International Maritime Organization (IMO) requirements.

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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      Transport Practice 1.5  
                                   in substantial compliance with  
                                   not in compliance with

*Summarize the basis for this Finding:*

IMC maintains records which show that the ocean transport is conducted in compliance with IMDG Code requirements. IMC does not develop or certify the cyanide packaging, this is done by the ICMC certified cyanide producer. There was no cyanide stored at the port at the time of the audit, but photos were reviewed to confirm that containers are placarded in accordance with IMO regulations. All information required by the IMDG Code is required as standard practice on IMC shipping paperwork. A sample of cyanide shipping documents, including certifications for the transport of dangerous goods and ship captain hazardous materials training, were reviewed and all information was found to be conformant to IMDG Code requirements.

IMC Port Captains develop a Stowage Plan for each voyage which considers cargo hazards and vessel and deck plans. Formal procedures and Stowage and Segregation guides are used to determine cargo placement on the vessel in accordance with IMDG Code requirements. These procedures ensure that cyanide is segregated from acids, oxidizers, and explosives. A review of stowage plans showed appropriate placement of cyanide away from acid cargo.

IMC does not ship cyanide by air.

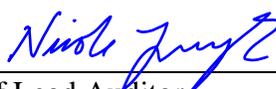
Transport Practice 1.6:      *Track cyanide shipments to prevent losses during transport.*

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

*Summarize the basis for this Finding:*

The ocean vessel transporting the cyanide cargo provides IMC with a daily report of the ship's coordinates and notifications of port arrival and departure. The ocean vessels maintain communication equipment that functions globally. Interviews and a review of communication

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records were used to confirm this practice. Vessel coordinates can also be tracked online and there is also a daily reporting requirement for the Ship Master to provide latitude and longitude of the ship.

The amount of cyanide that is shipped on a specific vessel is shown on the Stowage Plan, with the details in the Dangerous Goods Manifest, which is required under IMDG regulations. Cyanide SDS and handling procedures are provided to the ship's captain prior to sailing. Records were available from ocean shipments to show that daily reports are being sent through by ship captains and that the location of the shipment was known.

Watco equipment operators at the have radios for communication. This was confirmed through interview. Multiple people, including Supervisors, always have these radios on and available for use at the port. Watco maintains the radios as part of the preventive maintenance program. The radios are in constant use each day at the port. This approach was deemed to be appropriate and effective by the auditor.

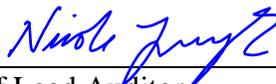
Ocean vessels transport the sodium cyanide from port to port without transfers, so departure and arrival confirmation of the cargo are sufficient. The ship makes notification of when it sails and arrives at the ports and the agents are simultaneously tracking the cargo's progress.

Watco does not transport cyanide outside of the port boundaries and there are no parts of the port that are "black out" areas for communication. All cargo movements into and out of the Industrial Terminal facility are reported and recorded. Watco has formal methods and practices in place to keep track of cargo movement.

All hazardous cargo arriving to the Industrial Terminal facility must be accompanied by IMO Declarations and Safety Data Sheets (SDSs). Any US Import cargo arriving via ship and exiting terminal also must be accompanied by same documents. Identification information and the amount of the cyanide that is arriving into the terminal is noted in the shipping paperwork and is maintained in the computerized system at the Terminal thereafter. Records were available from ocean shipments to show that daily reports are being sent through by ship captains and that the location of the shipment was known.

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**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  not in compliance with Transport Practice 2.1

*Summarize the basis for this Finding:*

Industrial Terminals has appropriate signage to alert workers of the presence and hazards of cyanide. Storage of sodium cyanide at IMC is restricted to a designated storage area of the yard. The cyanide is stored exclusively outdoors.

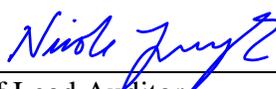
Sodium cyanide is stored in ISO containers and dry vans (intermodal containers). The designated cyanide storage area has signs in English and Spanish alerting workers that sodium cyanide is present, and that no smoking, open flames, eating or drinking are allowed in the specified area. There are no specific PPE requirements in the cyanide storage area, although terminal security requires a hard hat, safety vests, and protective footwear be used in all areas.

Security measures are in place to prevent unauthorized access to the terminal, including perimeter fencing and 24-hour manned security. Visitors are required to show identification at the security gate and from that point they are escorted at all times while in the yard. The area is controlled according to U.S. Homeland Security requirements and only people with background checks and a current Transportation Worker Identification Credential (TWIC card) are allowed unescorted access to the terminal.

Sodium cyanide is stored in a designated outdoor storage area at the terminal to prevent the buildup of hydrogen cyanide gas. The sodium cyanide containers are stored in a manner designed to minimize the potential for contact with water. Cyanide containers are stored in an elevated part of the open-air storage yard to avoid water buildup around the containers. An elevation map was presented during the audit to demonstrate the higher elevation of the cyanide storage area.

The cyanide containers are separated from Class 8 materials (corrosives/acids), strong oxidizers and explosives. There is no physical barrier other than open space between cyanide containers and other stored materials, however, the auditor deemed the segregated storage area and open

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space between the cyanide and other materials to be sufficient. There was no cyanide in storage at the time of the audit.

All storage is done using DOT-approved transportation ISO tanks or sea containers. The ISO tanks are regularly inspected, and pressure tested by the shipper in accordance with U.S. DOT regulatory requirements to ensure that they are water-tight and of high mechanical integrity. The dry vans (sea containers) contain packages with multiple layers of packaging within sealed containers to ensure that there is no water intrusion. Neither the ISO tanks or the sea containers are opened by IMC.

IMC has procedures in place for identifying and responding to a cyanide spill. The cyanide dry van and ISO tank integrity is assessed upon receipt to ensure that there is no leakage of the material, in accordance with the *Sodium Cyanide Cargo Handling* procedure. Watco performs daily yard inspections and would activate cyanide emergency response procedures if a leak or spill were identified. Procedures require an environmental services contractor be called out to mitigate and respond to a cyanide release.

**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.*

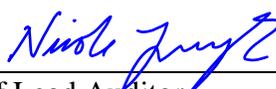
The operation is  in full compliance with  
 in substantial compliance with Transport Practice 3.1  
 not in compliance with

*Summarize the basis for this Finding:*

IMC has a detailed Emergency Management Plan (EMP) for the corporation and Watco maintains an Emergency Response/Action Plan for the terminal. The EMP includes cyanide specific emergency procedures. Watco is certified to the ICMI Cyanide Code for terminal operations. The IMC EMP was found to be appropriate. The emergency plans were found to be up-to-date and accurate.

Information regarding the properties and safe handling of cyanide is included in the on-site Safety Data Sheets (SDS) and IMC cyanide handling procedures. Cyanide release response procedures

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have been communicated to, and coordinated with, community organizations and emergency responders as appropriate by Watco and Cyanco. The roles of internal personnel and external responders are clearly defined in the IMC emergency response documentation.

The cyanide is shipped from IMC via ocean vessel. Ocean vessels maintain emergency response procedures, training, and equipment for use when at sea. IMC's EMP addresses the handling of emergency communications from the ship. Each ocean vessel maintains its own emergency response plan according to IMO and SOLAS requirements. The U.S. Coast Guard conducts regular inspections of ocean vessels passing through U.S. waters.

Each vessel maintains multiple emergency response plans as mandated by different conventions, which often overlap. Vessel owners, mandated by the International Safety Management (ISM) Code require officers & crew to have a response plan and complete yearly training covering 13-14 different emergency types. Separately, the International Convention for the Prevention of Pollution from Ships (MARPOL) requires that each vessel maintain a SOPEP (Ship Oil Pollution Emergency Plan) that covers spills in open ocean & foreign ports. Onboard emergency response drills for different scenarios are held every 1-3 months. Further, the U.S. Coast Guard requires all vessels navigating U.S. waters greater than 400 GRT (Gross Register Tonnage) to submit NTVRP (Nontank Vessel Response Plan) for approval. This plan also covers spills occurring in U.S. waters. Plans include step-by-step instructions for handling each incident type.

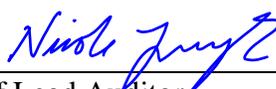
*Transport Practice 3.2: Designate appropriate response personnel and commit necessary resources for emergency response.*

The operation is  in full compliance with  
 in substantial compliance with      Transport Practice 3.2  
 not in compliance with

*Summarize the basis for this Finding:*

IMC personnel and subcontractors are provided various levels of hazardous materials and emergency response training appropriate to their job function. The IMC Emergency Management Plan identifies an Emergency Response Team and describes the duties and responsibilities of each member. Watco maintains a list of emergency response equipment that is always to be available in the Terminal. This was confirmed during the most recent Cyanide Code re-certification audit that was done as part of the Cyanco Rail & Truck Supply Chain certification. The equipment is checked on a monthly basis to ensure that it is available if it is required.

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The cargo ships are required to maintain emergency response equipment in compliance with Safety of Life at Sea (SOLAS) requirements. Captains, and other crew members, maintain current hazmat authorizations and complete recurring hazardous materials training. Records were evaluated and found to be acceptable during the audit. The International Convention of Standards of Training, Certification and Watchkeeping for Seafarers (STCW) established in 1978 sets qualification standards for masters, officers, and watch personnel on seagoing merchant ships. STCW was adopted by the International Maritime Organization (IMO) in 1984 and has been revised several times since this date. STCW mandates that all officers and crew working on ocean going vessels must complete/renew their dangerous goods / hazardous materials training every five years. Vessels in this supply chain call into U.S. ports and are therefore also subject to U.S. Coast Guard requirements that mandate hazmat training to be renewed every three years. In addition to the training required by regulations, the owners of the vessels often also require crew members to complete additional computer training related to hazardous materials at frequencies as often as annually.

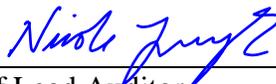
Ocean vessel Captains and all crew members of each of the approved ocean vessels receive initial and periodic refresher training in emergency response procedures including implementation of the vessel's emergency response plan. Multiple international maritime regulations require emergency response training in addition to the requirements for training from the U.S. Coast Guard. The Captain dangerous goods certification is valid for 5 years, after which time the Captain must undergo refresher training and become re-certified to be the captain of a cargo ship that is authorized for transporting dangerous goods. All crew members undergo similar competency and emergency response training and certifications.

Watco personnel, because they are in the United States, are considered to be "Hazmat Employees" according to the Department of Transportation regulations. As such, formally delivered and recorded hazardous materials training is required at least every three years.

IMC also contracts with a global emergency response service provider to ensure that appropriate notifications and emergency response is initiated if there is an incident.

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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      Transport Practice 3.3  
                                   in substantial compliance with  
                                   not in compliance with

*Summarize the basis for this Finding:*

The IMC Emergency Management Plan contains notification procedures and contact information for internal and external entities. The EMP includes a notification flowchart for the terminal and the ocean vessel in the event of an emergency. The EMP is reviewed for accuracy at least once per year. Confirmation of this practice was made during the audit. Documentation was found to be up-to-date.

Watco, the port owner, is currently cyanide certified through the Cyanco Supply Chain. Watco is responsible for emergency response for the port, including IMC operations. Watco is responsible for communications with medical facilities and potentially affected communities in the event of a cyanide release emergency.

According to interviews, the Director of Quality, Health, Safety, and the Environment would ensure that the shipper is notified in the event of an emergency involving cyanide.

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

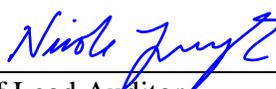
The operation is       in full compliance with      Transport Practice 3.4  
                                   in substantial compliance with  
                                   not in compliance with

*Summarize the basis for this Finding:*

In the event of a spill at the terminal, IMC would follow the EMP and coordinate with environmental services to ensure appropriate clean up and remediation of contaminated solids or soils. Contractors who handle cyanide are trained and aware of the hazards and appropriate response to a release.

IMC would not be directly involved in the remediation of a cyanide spill but would follow the EMP and contact environmental services as part of the notification process. Watco, the port owner, is currently cyanide certified through the Cyanco Supply Chain. Watco is responsible for

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emergency response for the port, including IMC operations and maintains a procedure for managing sodium cyanide.

*Transport Practice 3.5: Periodically evaluate response procedures and capabilities and revise them as needed.*

The operation is  in full compliance with  
 in substantial compliance with Transport Practice 3.5  
 not in compliance with

*Summarize the basis for this Finding:*

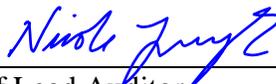
IMC reviews its Emergency Management Plan (EMP) at least annually to confirm continuing adequacy and effectiveness. The EMP performance is reviewed after actual emergencies and after the annual drill. Changes are made to the plan, as needed. Watco also reviews its emergency plans at least annually, this was confirmed through interview.

Vessels and port managers contracted by IMC conduct emergency response drills at least annually. Records were available for the emergency response drills held in 2019 and 2020 for each of the vessels. The most recent Watco Cyanide Code re-certification audit also confirmed that emergency response drills are being conducted annually at its terminals. Cyanco involves its transportation partners in its emergency response drills that it also holds each re-certification period.

The records from the emergency response drills reviewed included information regarding things that went well and areas for improvement that were identified in the critique. Watco fulfillment of this requirement for the terminal was confirmed during the 2018 Cyanide Code re-certification audit.

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