

THIRD PARTY FACILITY ACCESS POLICY

This Policy applies to all Third-Party contractors hired by the U.S. Government, who wish to gain access to MHI facilities to perform work on a Government vessel. The policies and procedures herein are intended to ensure the safety and security of all individuals entering MHI facilities. All third parties requiring access to MHI facilities will follow this standard set of policies and procedures to gain such access and execute work within MHI facilities and have the Acknowledgment below executed by an appropriate company representative. Prior to entering or accessing any MHI owned or leased facility, all Third Parties must comply with the access requirements included in this package, provide copies of relevant Company Information, Individual Access information, Insurance Certificates and Indemnity Agreements, and complete all required Safety Training.

ACKNOWLEDGEMENT (Signature Required Prior to Company Access):

By Signing Below, the Undersigned hereby acknowledges that they have fully reviewed the provisions included in this Third-Party Access Policy and agrees to abide by the rules and regulations set forth herein. The Undersigned acknowledges that failure to comply with any of the provisions of this Third-Party Access policy may result in the restriction of Undersigned's employees, representatives and agents from access to MHI's facilities. Each person executing this agreement represents that he or she has full and legal authority to execute this agreement for and on behalf of the respective party for which he or she is executing this agreement and to bind that party.

Company Name: _____

Signed: _____

Name: _____

Title: _____

Date: _____

***** ACKNOWLEDGMENT FORM MUST BE RETURNED WITH INCLUDED
SIGNED INDEMNITY AGREEMENT AND SAFETY AFFIDAVIT ATTACHMENTS
LOCATED AT THE END OF THIS DOCUMENT*****

Third Party Facility Access Policy

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MHI Third Party Facility Access Policy

A. Access / Security & Parking Requirements.

1. Personnel Access / Visit Request:

- a. Each Third Party requesting access to vessels berthed at MHI must submit a visit request to MARMC Security. Visit Requests will NOT be accepted or processed by MHI Security for Third Party access.

Contact MARMC Security at: 757-400-0000

- b. All Third Party personnel must be approved by MARMC prior to being allowed entry to MHI Facilities.

2. Parking and Vehicle Requirements - In addition to the vehicle insurance requirements listed in Section B; the following restrictions apply;

- a. Limited Third Party Parking, subject to availability, is available in designated parking areas. A \$2.00 per day parking/access fee will be applied. All MHI parking lots are to be used by permit only. Parking passes shall be obtained from the Security Department, based on proof of compliance with the following.
 - i. Proof of insurance must be provided in order to receive a parking pass.
 - ii. Insurance for Company owned or rental vehicles must be in accordance with Section B.1.c.
 - iii. Privately owned vehicles must be insured in accordance with the State of Virginia minimum limits.
- b. Vehicles parking in MHI parking lots without proper parking passes are subject to being towed.
- c. Persons caught using forged parking passes may be denied future parking permits and vehicles are subject to being towed.
- d. **Street parking adjacent to MHI's midtown facility is intended for residential or short term public use and third party contractors should not utilize such street parking when visiting MHI facilities.**

3. All Third Party personnel requiring access to MHI facilities will require an MHI access control badge obtained from Security prior to admittance. All personnel must be eligible to receive an MHI badge to access MHI facilities. ID badges must be shown to security and safety personnel upon request. All lost, stolen, or damaged ID badges shall be reported immediately to the Security Manager.

- a. Replacement cost for a lost badge is \$15 payable to Marine Hydraulics International, LLC. by company check or money order.
- b. Third Parties expecting to return for multiple visits are encouraged to retain their badges for future visits, existing badges will be reactivated with out charge for return visits.
- c. Security regulations require periodic redesign and replacement of access badges based on percentage of lost or missing badges. When this occurs Third Parties will be required to exchange their existing badges for the new badge.

B. Insurance / Indemnification Requirements

1. The Third Party shall furnish certificates of insurance with the following terms and conditions to MHI's Security Department prior to obtaining access to Marine Hydraulics International, LLC:
 - a. Worker's Compensation with U.S. Longshoremen's and Harbor Worker's Act Coverage endorsement attached.
 - b. Comprehensive General Liability Insurance with limits of liability of at least \$1,000,000 combined single limit of bodily injury and property damage liability, and including premises, operations, products and completed operations, blanket contractual liability (to cover the liability assumed under the Indemnity Agreement included as Attachment 1 below). MHI to be named as additional insured. Certificate to show waiver of subrogation.
 - c. Automobile Liability Insurance with limits of liability of at least \$1,000,000 combined single limit of bodily injury and property damage liability. Certificate to show waiver of subrogation.
 - d. Umbrella/Bumbershoot Liability insurance with limits of liability of at least \$1,000,000.
2. Given the potentially dangerous and/or hazardous nature of the Third Parties' activities within MHI's facility, MHI requires Indemnification from all Third Parties for damages arising from their activities within the Facility. The Third Party shall complete the Indemnity Agreement included as Attachment 1 to this document and provide a signed copy to MHI's Contracts Department.
3. Please send copies of the signed Indemnity Agreement and copies of the required insurance certificates to:

Marine Hydraulics International, LLC.
543 E. Indian River Rd.
Norfolk, VA 23523
ATTN: Security Pass Office
Fax: 757-545-8169
Email: passoffice@mhi-shiprepair.com

C. Safety

1. The Safety Department Representative of MHI conducts daily Safety, Fire Prevention, and Housekeeping Inspections, as required by the solicitation, of all work sites to ensure MHI, Third Party, and all Subcontractor Employees are performing their work task in accordance with MHI Safety Requirements and other applicable State and Federal Rules and Regulations.
2. **MHI Safety Guidelines and PPE Requirements** The requirements for wearing SAFETY EQUIPMENT are as follows. When ships are present at our Mid-Town Facility, **Safety Glasses, Hard Hats, and APPROVED Safety Toed Shoes are required to be worn when on the PIER and on the SHIP.** Safety Toed shoes must have a defined heel of at least one quarter inch. Tennis style or flat soled Safety shoes are not acceptable for use. There are signs posted at the beginning of the pier stating these requirements. **Dark shaded** safety glasses are not to be worn inside of the ship. Fire watches and any person assisting another person conducting Hot Work that requires them to be in the immediate area (**such as holding an object while the Hot Work is being conducted**) are required to wear #3 rated **lightly shaded** safety glasses while the Hot Work is actually being performed. The #3 rated safety glasses are not to be worn when moving about the ship. Employees wearing prescription safety glasses are required to have approved side shields on when in areas requiring safety glasses to be worn. **These PPE requirements are for down river work as well.** The #3 rated safety glasses can be obtained for MHI employees by contacting the safety department. Feel free to contact the Safety Office if there are any questions about these requirements.

***** MHI IS A SMOKE FREE WORK PLACE *****

*****THERE IS NO SMOKING ON THE SHIP *****

***** THERE IS NO SMOKING ON THE PROPERTY *****

*****THERE IS NO EATING OR DRINKING, (ACCEPT FOR WATER), ALLOWED ONBOARD VESSELS *****

***** CAMERA PHONES OR OTHER PHOTO EQUIPMENT ARE NOT ALLOWED ON THE PIER, SHIP, OR ANY MHI JOBS WITHOUT PRIOR AUTHORIZATION*****

*****THERE ARE NO ILLEGAL DRUGS, ALCOHOL, OR WEAPONS ALLOWED ON ANY MHI JOBS OR PROPERTY*****

3. When Those Employees observed in violation of established Safety and Housekeeping rules will be required to correct the deficiency. Failure to rectify safety violations will lead to the issuance of a Safety Discrepancy Report to the Subcontractor or AIT responsible. The Safety Department Representative retains the authority to stop work and have Subcontractor or AIT Employees leave the work site for imminent danger and repetitive violations of Safety and Housekeeping Rules and Regulations.

4. All Firewatchers must be certified IAW NAVSEA Standard Item 009-07 and must wear a lime green vest as identification.
5. All subcontractors and AIT personnel must comply with all applicable Company, State and Federal Occupational Safety and Health Rules and Regulations ships are present at our Mid-town Facility, **Safety Glasses, Hard Hats, and Steel Toed Safety Shoes are required to be worn when on the PIER and on the SHIP.** There are signs posted at the beginning of the pier stating these requirements.
6. **Dark shaded** safety glasses are not to be worn inside of the ship. Fire watches and any person assisting another person conducting Hot Work that requires them to be in the immediate area (**such as holding an object while the Hot Work is being conducted**) are required to wear #3 rated **lightly shaded** safety glasses while the Hot Work is actually being performed. The #3 rated safety glasses are not to be worn when moving about the ship. Employees wearing prescription safety glasses are required to have approved side shields on when in areas requiring safety glasses to be worn.
7. Personnel observed in violation of established Safety and Housekeeping rules will be required to correct the deficiency. Failure to rectify safety violations will lead to the issuance of a Safety Discrepancy Report (SDR) to the responsible party and their sponsor company, if applicable.
8. MHI's Safety Department Representative retains the authority to stop work and have Third Party Employees leave the work site for imminent danger and repetitive violations of Safety and Housekeeping Rules and Regulations. Such conditions shall be determined at the sole discretion of MHI and may result in the suspension of access to the facility for any individual or organization subject to such determination.
9. All subcontractors and Third Party personnel must comply with all applicable Company, State and Federal Occupational Safety and Health Rules and Regulations. Any violations of such rules or regulations shall be processed through MHI's SDR system and proper corrections shall be undertaken under the supervision of MHI.
10. Pre-Work Job-Site Hazard Assessment (This type of assessment is performed to find hazards that may cause injury to personnel or damage to equipment and to correct or mitigate these hazards prior to beginning the job. This applies to all employees, Third Party contractors and sub-contractors on all MHI jobs.)

- a. **Responsibilities:** All Third Parties and all Third Party activities are responsible for reviewing the latest revision of this procedure prior to the start of any job, adhering to its requirements, and following the direction of MHI.
- b. **Authorization:** Depending on the situation, the Third Party supervisor must determine if the job-site and all affected spaces meets the requirements for safe entry such as:
 - Confined space requiring a Certified Marine Chemist (CMC) certificate and / or a Shipyard Competent Person (SCP) log of inspections and tests prior to entry or certain operations.
 - Ensure that all WAF procedures are being adhered to and that the MHI WAF coordinator is aware that a job is about to be started.
 - If preservative coatings or lagging is to be disturbed or removed, the Third Party supervisor is responsible to ensure that samples are taken and the results are satisfactory to start the job.
- c. **Inspection:** Each job-site and process in the workplace should be looked at in detail. The actual physical job-site shall be inspected for unusual or unexpected hazards / conditions. Items / conditions to look for include but are not limited to:
 - Inspect the actual job-site for unexpected complications such as piping or cable ways routed through or in close proximity to the work being performed.
 - Hazardous Materials; Are any hazardous materials involved and do workers know the proper precautions for protecting themselves?
 - Is nearby equipment, piping or cables adequately guarded to prevent damage or contamination as applicable?
 - Check environmental conditions, such as hot or cold temperatures, or inadequate lighting or ventilation.
 - Are floors clean and dry and the workplace neat and clean to prevent falls?
 - Are there factors that could cause ergonomic injuries, like heavy lifting, excessive reaching or twisting, or awkward postures?
 - Ensure that noise levels in the area are controlled and that personnel have adequate hearing protection available.
 - Check for pre-existing conditions, such as burned paint or lagging, damage to decks or damaged equipment and submit all results to the project manager.
- d. **Set-up:** These are some items to inspect while pre-staging equipment and routing cables and hoses to the job-site.
 - Be aware of fire boundary locations. Ensure that all air hoses, water

hoses, welding leads and power cables have quick-disconnects within six feet of any fire boundary through which they are routed. The quick disconnects shall be marked with international orange tape or paint.

- Always use chafing material such as rubber mat pieces to protect hoses, leads and cables that are routed through any hatches, scuttles, over jagged edges or anywhere else that could cause damage to them from either being pinched or from friction.
- When routing any type of hoses, cables, leads or ventilation ducts, always do so in a manner that will not cause personnel hazards. Never obstruct ladders, doors, passageways or escape trunks.
- Inspect all equipment for frayed or cracked power cords and ensure that the equipment is properly grounded and in good working condition.

e. **Training:** Ensure that all personnel are trained for the operations that they will be performing.

- All Third Party employees will be required to have completed the Virginia Ship Repair Association (VSRA) Safety Orientation Training before being issued an MHI badge for access to our Mid-town Facility. This means your company's workforce can complete the training and it will be accepted at multiple companies. This training is good for one year and will need to be updated annually. The session was developed to:

1. Create more consistency in safety information.
2. Reduce costs by eliminating the need for workers to take a new safety session each time they work with a new company or a different ship yard.
3. **Improve access to safety information.**
4. **Access Training at:**
<http://otraining.VirginiaShipRepair.org>
 - a. Note: VSRA members have a three letter designation code. You can locate yours at the login page.
 - b. Non-members: Create your code when you register.

f. Once your workers take this course the only information they will need is specific safety guidelines from Marine Hydraulics International, which are attached. If you have any questions about the site specific guidelines please contact MHI's Safety department at 545-6400, ext. 289.

g. Each Third Party/Subcontractor is required to submit a completed OSHA Safety/Environmental Affidavit, included in this policy as Attachment 2, prior to starting work at any MHI facility. This document shall be submitted to the MHI Safety Manager and will remain on file.

11. References and Associated Documents

- a. NAVSEA Standard Items.
- b. OSHA 29 CFR 1915.

D. Production / Facility and Equipment Limitations

1. Third Party contractors and other Third Parties are prohibited from performing the functions listed below within MHI's Facilities:
 - a. Rigging on and off of ship
 - b. Connecting or disconnecting to MHI services including but not limited to.
 - i. Potable Water
 - ii. Electrical Services
 - iii. Fuel gas manifolds
 - iv. Emergency fire stations
 - c. Handling or removal of Asbestos Containing Material.
 - d. Paint removal prior to sampling for heavy metals.
 - e. Removal of Heavy Metal Containing material coatings.
 - f. Entering of Confined or Enclosed Spaces without current Certification.
 - g. Removal of PCB's.
 - h. Use of MHI equipment i.e. aerial lifts, fork lifts, shop equipment.
 - i. Spray painting.
 - j. Erecting or modifying staging.
 - k. Transferring of fluids from ship to shore, including but not limited to oil, chemicals etc.
2. Third Party company owned or leased vehicles are not allowed within the shipyard except to offload or load equipment only in coordination with MHI. Privately owned vehicles belonging to Third Party contractor employees are not allowed in any of MHI's facilities other than designated parking lots.
 - a. See Section B for insurance and Section A.4 for parking requirements.
3. MHI shall provide requested Third Party office space either through existing on-site constructed offices or through the use of portable office trailers.

- a. Third Parties are prohibited from establishing their own office. Third Parties may provide a **single** Conex / storage container up to a maximum size of 8 foot by 20 foot.
- b. This Third Party provided container cannot be used to store flammable/hazardous materials.
- c. MHI cannot guarantee the availability of power for Conex boxes. If power is available and requested by the Third Party the Third Party will be responsible for all costs associated with hooking up and supplying the power. (This includes the cost of any materials or equipment required).

E. Production Coordination Requirements

1. In accordance with NAVSEA Technical Specification 9090-310F (Alterations to Ship Accomplished by Alteration Installation Teams) the Third Party is to conduct an in-brief prior to the initiation of alteration accomplishment. The MHI Project Manager or his designated representative is to be included in the list of attendees along with the Ship's Personnel, NSA, Planning Yard Rep, and. Executing personnel. At this conference provide MHI Representative a synopsis of the work package with a schedule-for each task.
2. The Third Party On-site Installation Coordinator shall provide the MHI AIT Coordinator or Project Manager with:
 - a. The names, phone numbers, and emergency points of contact for all shifts
3. A description of the scope of work to be accomplished including;
 - a. A list of all affected compartments.
 - b. Start and stop dates for work in each compartment.
 - i. This information is essential in the preparation of the required Compartment Close Out Log.
 - ii. The work scope definition shall also include test dates and the type of test required.
4. Manning projections and service requirements on a weekly basis. This information is to be provided on the appropriate form (available from the MHI PM) each Tuesday by 0900 for the following week.
 - a. This information must also identify any overtime requirements and support required during time periods outside of MHI's normal 1st shift hours (Monday thru Friday 0700-1330).
 - b. This form is to be used for manpower assistance only.
5. A 24 hour written notice for any required Crane and Forklift or Rigging services.
6. Submit all WAF requests prior to the start of work in accordance with the current WAF process. List all MCT's to be opened on a Technical Work Document attached to the WAF.
7. An Updated schedule each for review and in preparation for the weekly Progress Conference.

8. The Third Party Coordinator shall be responsible for having a representative attend the daily Safety Inspection of the vessel and correct all discrepancies noted in their area of responsibility prior to the inspection on the following day.
9. The Third Party On-site Installation Coordinator shall provide a minimum of 24 hours notice prior to the arrival of any and all equipment, which will be stored on MHI property. The MHI Facility Manager will designate the location for Third Party conex boxes or other equipment. All equipment must be properly identified with a minimum of the following information:
 - a. Company name
 - b. Phone number
 - c. Responsible on-site coordinator
 - d. Coordinators' phone number
 - e. Emergency phone number
10. The Third Party is responsible for maintaining the grounds around their lay down area. Any discrepancies noted on routine Environmental inspections will be corrected immediately following notification.
11. MATERIAL MARKING and Transfer
 - a. All equipment or material to be placed on the vessel or on the pier must be properly tagged. This tag must be filled out and attached to the material/equipment prior to removal from the vessel or a truck and placed on the pier. Blank tags may be obtained from the designated MHI representative.
12. All trash is to be disposed of in containers provided for the Third Party by the assist item. These containers are for industrial debris only and are not to be used for hazardous or contaminated waste. All contaminated waste is to be disposed of by the ship and under a Government generator number. All contaminated/hazardous waste is to be stored onboard the vessel and out of the elements or in the Third Party's container. Under no circumstances are these materials to be stored on the contractor's facility.
13. All Third Party provided material must be delivered to MHI's GFM warehouse for receipt inspection and transfer to the job site.

F. Production Planning and Reporting Requirements

1. To ensure MHI is in compliance with NAVSEA Standard Item 009-60 (or 009-111 as applicable), to eliminate negative impact to our schedule, and to reduce/eliminate possible conflicts where programmed Third Party work interferes with the contractor schedule, the following Third Party requirements have been established, as a condition of access to MHI's facility. All third party contractors must provide a production schedule for each ship they are working in concurrence with MHI's availability.
2. Third Party Schedule Criteria to be provided in accordance with applicable Third Party POA&M Scheduling Standards and Standard Items:
 - a. Schedule shall be provided in an editable electronic format (e.g. Microsoft excel). Microsoft Project is preferred.
 - i. Contact MHI's Production Scheduling Department for up to date requirements.
 - b. The schedule shall establish an orderly and systematic overhaul project that reflects the manner in which the work item will be performed.
 - c. Schedule shall be inclusive of contractors' Milestones with Dates (at the top of the schedule).
 - d. Schedule each work item to the activity level; which shall list the Start and completion date for each activity in sufficient detail that can be measured toward each milestone.
3. For work items that are complex in nature and worked throughout the vessel, break down each activity by location and/or zones.
 - a. Identify the amount of float available on each work item activity based on a five-day workweek unless otherwise specified.
 - b. Must indicate if working more than a five-day work week.
4. Provide the total number of people from your company working on this project to the MHI Third Party Coordinator prior to commencement of work for each week you will be on the vessel. This shall include only those individuals working on the vessel (deck plates), shop work not to be included.
5. Provide a list of locations and/or spaces where your work will be performed to the Superintendent prior to the commencement of work.
6. The initial schedule submittal is due no later than Start of Availability minus 30 days (A-30).

7. A minimum of five days prior to the start of the availability, the Third Party Representative will meet with the MHI assigned Project ALT Coordinator. The schedule will be reviewed at this time and compared with programmed Ship's Force work, other Third Party work and Contractor's Schedule to identify any conflicts.
8. Commencing on the first day of the Availability, the Third Party Representative shall meet daily with the MHI assigned Project Third Party Coordinator until the work is complete.
9. Weekly Schedule Maintenance and Updates:
 - a. On Friday morning at the daily Third Party meeting, each NSA Third Party Coordinator will receive a copy of their progress sheet to update for their items. This document shall be used to report progress and corrections to the schedule (i.e., start and completion dates), growth work, and any level of effort.
 - b. The Third Party Representative will evaluate each of their activities in the Schedule and mark up the report to indicate the current percentage of progress achieved.
 - c. Progress shall be projected through Sunday, which may require you to project through the end of business on Sunday.
 - d. Progress Sheets must be submitted to the MHI PM each Monday for review and in preparation for the weekly Progress Conference.

G. Non Solicitation of MHI Employees. During the period of access to MHI facilities and for one year thereafter, the Third Party Contractor shall not, on its own account or on behalf of any other Person or entity, directly or indirectly (i) solicit, divert, employ, hire away, engage, license, lease or recruit, or attempt to solicit, divert, hire away, engage, employ, license, lease or recruit, any person who was employed by the Company at any time during the 12 months immediately preceding Employee's termination of employment; or (ii) contact, circularize or communicate with or solicit or participate in the solicitation of, in any manner, directly or indirectly, any person who at any time during the 12 months immediately preceding Employee's termination of employment with Company was or is, as the case may be, a client or customer of Company.

H. Contact List

All calls are routed through MHI's central switchboard: 757-545-6400

Departmental extensions and points of contact are listed below.

DEPARTMENT	NAME	OFFICE EXTENSION
Programs	Drew Williams	211
Production	Greg Stephens	385
Contracts	Chris Ceglio	396
Subcontracts	Christopher McCallum	386
Procurement	Shaun Adams	424
Safety	Dan Small	289
Security	Neil Burns	279
Production Scheduling	Wendi Wachner	326
GFM Receiving	Alex Koval	240
Quality Assurance	Dennis Robbins	409

MARINE HYDRAULICS INTERNATIONAL, LLC.

INDEMNITY AGREEMENT

In consideration of Marine Hydraulics International, LLC. ("MHI") permitting _____ (Company Name) (the "Indemnitor") access to MHI facilities, Indemnitor agrees as follows:

To the fullest extent permitted by law and in addition to all other indemnities provided for in law or at equity, Indemnitor shall and does hereby agree to protect, indemnify, defend and hold harmless MHI from and against any and all damages, demands, claims, losses, liabilities, injuries, penalties, fines, liens, judgments, suits, actions, investigations, proceedings, costs or expenses whatsoever (including, without limitation, reasonable attorneys' and experts' fees and costs and, in the event of any release of hazardous materials caused by Indemnitor or Indemnitor's invitees, investigation and remediation costs) arising out of or relating (directly or indirectly) to injuries to persons, including physical harm, physical damage or personal injury or death, or damages to property, including personal property, buildings, land or any other property located within the Premises attributable to the negligence or willful action or omission of Indemnitor or Indemnitor's invitees while any said officer, agent, employee, contractor, or subcontractor (and their respective employees) of Indemnitor, are present in, or about the premises, provided, however, that such damages do not arise as a result of the sole negligence of MHI. The foregoing indemnity shall survive the termination of this Agreement.

Further, Indemnitor does hereby agree to keep and maintain insurance coverage as required under Section B of this third Party Access Policy, as shall be in effect from time to time, for the entire period of this agreement.

Indemnitor's obligations hereunder shall commence as of the execution date hereof and shall continue until such time as Indemnitor gives MHI not less than thirty (30) days prior written notice of its intent to terminate this Agreement.

IN WITNESS WHEREOF, Indemnitor has executed this Agreement as of the ____ day of _____, 20____.

For Indemnitor:

Acknowledged and agreed on behalf of
MHI:

By: _____

By: _____

Name: _____

Victor Brannon

Vice President, Compliance

Title: _____

Date: _____

Date: _____

CHECK ONE: () Corporation () Partnership () Sole Proprietorship () Individual

Marine Hydraulics International, Inc.

SUBCONTRACTOR/AIT

OSHA SAFETY/ENVIRONMENTAL AFFIDAVIT

I, _____, as a duty appointed
(Name)
representative of _____
(Company Name)

Do affirm that the Company has the following:

1. A fully documented and implemented Safety and Health Policy

YES ☐ NO ☐

2. A Safety and Hazard Communication Training Program as required by CFR 1910.1200 (e)

YES ☐ NO ☐

3. Safety Data Sheets are available and shall be provided to MHI Safety Department for process review and approval for any hazardous material or product to be used prior to using on MHI jobs.

YES ☐ NO ☐

4. A fully documented and implemented Confined and Enclosed Space Entry Program as required by 29 CFR 1915 (d)

YES ☐ NO ☐

5. Company Fire Safety Plan as required by 29 CFR 1915.502

YES ☐ NO ☐

6. A copy of MHI's Fire Safety Plan SAF-DOC-003 including the Emergency Muster Area Location diagram and has trained all of its employees to its contents

YES ☐ NO ☐

7. A copy of MHI's Hazardous Waste Management Procedure ENV-DOC-001 and Portable Containment requirements ENV-DOC-002.

YES ☐ NO ☐

8. Documentation to be provided upon request that all of its employees working on MHI jobs have been trained on the following:

- Respiratory Protection
- Machine Guarding
- Scaffolding Safety
- Lockout/Tagout
- Hearing Protection
- Fall Protection

9. A copy of MHI's Pre-Work Job Site Hazard Assessment procedure SAF-DOC-013

YES ☐ NO ☐

10. A copy of MHI's PPE requirements while on the ship and on the pier at MHI's Mid-Town facility. These requirements are for offsite work as well.

YES ☐ NO ☐

11 A copy of MHI Compliance Expectations for all Subcontractors and AIT's; Hot Work, Housekeeping, and General Safety.

YES ☐ NO ☐

****Copies of MHI's Safety Department procedures are available upon request****

****MHI IS A SMOKE FREE WORKPLACE****

****THERE IS NO SMOKING ON THE SHIP****

****THERE IS NO SMOKING WITHIN THE MHI SHIPYARD****

**** CAMERA PHONES OR OTHER PHOTO EQUIPMENT ARE NOT ALLOWED ON
THE PIER, SHIP, OR ANY MHI JOBS WITHOUT PRIOR AUTHORIZATION****

*****THERE ARE NO ILLEGAL DRUGS, ALCOHOL, OR WEAPONS ALLOWED ON
ANY MHI JOBS OR PROPERTY*****

ANY QUESTIONS CALL THE MHI SAFETY DEPARTMENT AT (757) 545-6400 ext.289

Additional Comments: Any "NO" answer to the above list of items must be explained

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Phone No.: _____

To: All MHI Subcontractors and AIT's

SUBJ: MHI SAFETY AND COMPLIANCE EXPECTATIONS; Hot Work, Housekeeping, and General Safety

It is expected that all persons working inside the MHI facilities will obey and rigidly adhere to the requirements set by OSHA, our regulatory body of MARMC, and our own MHI internal standards for quality, safety, and security. These requirements are not optional. These requirements are meant to keep you and everyone else in the shipyard safe and able to go home at the end of the day. These requirements are for all MHI personnel, all subcontractors and AIT personnel, and all government and Navy personnel. Every soul that enters our facility we mean to keep safe.

These are the Hot Work expectations while working at MHI. These are not a complete guide on all the procedures required to perform hot work on a ship within a shipyard. But, these are the most common areas of concern when we find deficiencies in hot work execution.

REFERENCES

The following references are expected to be known and followed by your organizations and hot work teams that are performing Hot Work:

- OSHA 29 CFR 1915 Occupational Safety and Health Standards for Shipyard Employment.
- NSSI 009-07 Confined Space Entry, Certification, Fire Prevention and Housekeeping; accomplish.
- NSSI 009-08 Shipboard Fire Protection and Fire Prevention; accomplish.
- NSSI 009-74 Occupational, Safety and Health Plan; accomplish.
- NFPA 51B Standard for Fire Prevention During Welding, Cutting, and Other Hot Work.
- NFPA 312 Standard for Fire Protection of Vessels During Construction, Conversion, Repair, and Lay-Up.

Identification of Subject and Adjacent Spaces

You must effectively identify the Subject Hot Work space (the space in which the hot work operator is performing hot work) and all involved Adjacent Spaces that are at risk of experiencing heat transfer or receiving any sparks and slag and material from your hot work process. You must identify these spaces so that you can properly prepare them for the hot work. *Fire happens most often in Adjacent Spaces, Backside Spaces, Spaces that are not identified and therefore not prepared.*

IDENTIFY SPACES SO THAT YOU MAY PREPARE THEM PROPERLY.

Preparing the Subject and all involved Adjacent Spaces for Hot Work

- Lagging, insulation, and protective coating/paint must be removed from the primary and backside location of the hot work. Burned and damaged paint and insulation is not acceptable as it is a fire hazard, and it is considered damage to the ship.
 - o Paint and coatings must be removed at least 4" on either side of the hot work joint.
 - o Lagging and insulation must be removed at least 6" on either side of the hot work joint.
 - o These are MINIMUM values. If you need to remove more then remove more.
- All Combustible material must be moved greater than 35' away from the primary and adjacent spaces. *(Common combustible material is paper, cardboard, lagging, plastic but do not forget fire hose, white tape, white lightning, trash in trash bags, brooms, and RDS tent material.)*

- All Flammable material must be moved greater than 50' away from the primary and adjacent spaces. *(Common flammable materials are Acetone, Paint Thinner, and gasoline but do not forget about cleaning solvents.)*
- Any combustible material that cannot be moved away from the primary and adjacent spaces MUST have a Fire-Resistant barrier or containment preventing any heat, sparks, slag, or hot work material from reaching the combustible material. This barrier must be approved fire resistant fire cloth, sheet metal, or "blue" fire resistant wood. This barrier must be complete with no gaps or holes that might allow sparks to escape and reach a fuel source.
- In EACH of the Subject Hot Work Spaces and involved Adjacent Spaces a credentialed Fire Watch, with the proper PPE, must be positioned and able to see the hot work site and ready at a moments notice to stop the hot work if sparks are reaching a combustible fuel source or to utilize their fully charged fire extinguisher to put out any starting flame.
- Any sparks or slag that are falling below the area of the hot work or have the potential to enter other spaces and decks must be accounted for and each of those spaces and levels must therefore be prepared as an adjacent space with the necessary attention to combustibles, spark containment, and fire watch positioning.

IF A SPARK CANNOT REACH A FUEL SOURCE, THEN A SPARK CANNOT CAUSE A FIRE.

RESPONSIBILITIES

Hot Work Operator: The individual performing the hot work, is responsible for identifying and preparing the subject and adjacent spaces so that they may perform hot work successfully without starting a fire and without damaging the ship. Once they are prepared and ready to start, they must sign the Hot Work Permit documenting that the planned hot work event is prepared for review by the Permit Authorizing individual (PAI).

Permit Authorizing Individual (PAI): A person that is trained and designated by their company to serve as the final authority authorizing the start of hot work. They are responsible for reviewing the hot work team, the hot work permit, and for reviewing the subject space and adjacent spaces and ensuring that everything is fully prepared and safe for hot work to begin. The PAI will sign the Hot Work Permit only if they believe that the hot work event is prepared and all precautions to prevent sparks and combustibles from starting a fire are accomplished. *This individual needs to be able to say "NO" to production and project pressures to ensure that fire cannot start. This individual is the final and most important safety valve in the Hot Work Process.*

Fire Watch: A person trained, certified, and responsible for watching the subject hot work space or adjacent space that they are assigned. They are watching to protect the hot work operator. They are watching to see if the containment is not working, and if sparks are getting to a combustible fuel source. They are watching to see if the hot work is deviating from the intended path and getting into paint or lagging. And they are watching for the moment that a spark does reach a fuel source and flame ignites. They must be always attentive, able to see the hot work location, and they must have their fully charged fire extinguisher within 3' of them and ready to use.

Major Violations related to Hot Work may include but are not limited to:

- Inadequate containment of sparks or slag from hot work activities.
- Combustible material not removed 35' from hot work.
- Improper identification of adjacent spaces.
- Improper authorization to start hot work.

Attachment 3

- Proceeding with hot work without proper ventilation or containment.
- Failure to follow the hot work permitting process.
- Fire Watch not being attentive to their duties.
- Any disabling or damage of ships fire equipment or emergency response equipment.
- Inadequate containment for stainless steel hot work.
- Inadequate care and protection for ships equipment.

Housekeeping:

All Subcontractors and AIT's are required to remove all trash by the end of each work shift. Trash on the ship is a fire hazard. The more trash on the ship the more fuel there is for a fire to get out of control.

Major Violations related to Housekeeping may include but are not limited to:

- Failure to remove Trash and Industrial Debris from the workspace each shift.
- Failure to remove Trash and Industrial Debris from the ship each shift.
- Trash left strewn about the deck.
- Trash left on the pier and not placed in the proper trash containers.

. **Major Safety violations for failure to follow requirements can include but are not limited to the below subjects:**

- **Fall Protection**
- **Unguarded Edges**
- **Fire Zone Boundary Violations**
- **Temp Services**
- **WAF**
- **Fire Fighting Equipment**

ENFORCEMENT

Deviations to the requirements and expectations of Hot Work practices, Housekeeping, and other MHI, OSHA, and Government requirements will not be tolerated. MHI reserves the right to suspend the involved individuals, the team, or the organization from further work operations on MHI Jobs until these requirements are met and the MHI leadership is satisfied that you have the capabilities to return to work safely.

Major Safety Violation Policy for All Subcontractors and AIT's

This policy will hold personnel accountable for any major violations. This policy will bar violators from all MHI jobs as follows:

(7) Seven Days for the First Offense

(14) Fourteen Days for the Second Offense that occurs within (1) one year of the First Offense

(1) One Year for the Third Offense that occurs within (1) one year of the First Offense

MHI will use CAR and Safety Walk-Through data to track accountability. All Subcontractors and AIT's are expected to adhere to all MHI, OSHA, and Government Safety Standards. As a reminder, any negative Safety Trends can be used in the Award decision of future contracts.

ACKNOWLEDGED AND AGREED:

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Phone No.: _____