

**NATIONAL STEEL AND SHIPBUILDING COMPANY
REGULATIONS FOR THIRD PARTY ACCESS**

INCORPORATED INTO THIRD PARTY ACCESS AGREEMENT

The following Regulations apply to all Third Parties granted admission to NASSCO's Shipyard and access to Vessels.

1. Security

- (a) Third Parties shall comply with NASSCO's Access Control Procedures incorporated herein.
- (b) NASSCO is a manufacturer of defense articles as defined in the International Traffic in Arms Regulations (Title 22, Code of Federal Regulations, Part 120, et seq.) Third Parties shall inform NASSCO in writing of the name and citizenship of each employee of the Third Party and of the Third Party's subcontractors at any tier who will participate in the performance of any work at the Shipyard who is not a United States citizen or a lawful permanent resident. Third Parties shall obtain any export authorization that may be required for any such employee or subcontractor's employee and provide NASSCO with a copy of such export authorization.

2. Identification

All authorized Third Parties granted access to NASSCO's shipyard shall wear their own company badges containing a photograph and personal identification information.

3. Safety

Third Parties shall comply with NASSCO safety policies and procedures and with all applicable federal, state and local safety laws and regulations. As a further condition to entry to NASSCO's shipyard, Third Parties shall comply with the following safety requirements:

- (a) Third Parties shall provide NASSCO's Safety Department with the name, work and home address, and phone numbers of a company officer or other person with authority and responsibility to correct any unsafe conditions while in the Shipyard or on a Vessel.
- (b) The senior on-site representative of the Third Party shall attend a safety and environmental orientation by NASSCO's Safety Department. This orientation must be completed prior to commencement of work by Third Party in the Shipyard or on a Vessel. Upon completion of this orientation,

the senior on-site representative shall execute a Safety Sign-Off Sheet. The senior on-site representative shall ensure that the Third Party's employees receive training on compliance with NASSCO's Safety Guidelines. At the orientation, Third Parties shall provide:

- A copy of their company's Injury and Illness Prevention Program
- A copy of the Material Safety Data Sheet for each chemical substance brought into NASSCO

4. Clean Up of Work Site

Daily, during the performance and upon completion of their work, Third Parties shall remove all debris, dirt, and rubbish from the Shipyard and the Vessel, including excess materials, scrap, and equipment used or generated by the Third Party. The Third Party shall be liable for any costs incurred by NASSCO to remove any such debris, scrap and equipment not removed by the Third Party.

5. Use of NASSCO's Equipment

Third Parties shall not use, or permit any other person to use, any of NASSCO's equipment, tools, devices, apparatus or property.

6. Environmental

Third Parties shall comply with all federal, state and local environmental laws and regulations. Third Parties shall further comply with NASSCO's requirements for maintaining ISO 14001 certification, as well as NASSCO's environmental policies and procedures, including but not limited to the following:

- (a) Environmental Policy. NASSCO is an environmental leader committed to the protection of natural resources through the implementation of proactive environmental programs. Third Parties shall comply with the environmental policies, rules and regulations implemented by the NASSCO Environmental Management System ("EMS"), which includes management practices for the protection of air, land, and water and incorporates local, state, and federal policies, rules and regulations. These practices are contained in NASSCO's Environmental Guidelines, which will be provided by the NASSCO Safety Department during the required safety and environmental orientation. Upon completion of this orientation, the senior on-site representative of the Third Party shall execute an Environmental Sign-Off Sheet.
- (b) Certifications, Permits, Operating Manuals and Training

Third Parties shall obtain, maintain and implement their own certifications, permits, operating manuals and training required by local, state and federal law. Copies of these documents shall be forwarded to the NASSCO Environmental Engineering Department prior to conducting work at the Shipyard. Third Parties shall also ensure that their employees receive training on compliance with NASSCO's Environmental Guidelines, including, but not limited to, the following:

- ISO 14001 EMS requirements
 - Hazardous materials and waste
 - Water quality
 - Air quality
 - Reporting of releases of hazardous materials and or waste, including emergency response activities
- (c) Hazardous Materials. A Material Safety Data Sheet ("MSDS") shall be prepared for all substances brought into the Shipyard, and a copy of the MSDS shall be provided to and approved by the NASSCO Safety Department. Third Parties shall not bring hazardous materials into the Shipyard or onto a Vessel without obtaining such approval. All containers of hazardous material shall be properly labeled with the character of the material, including hazards, and all containers shall display the name of the Third Party. Hazardous material shall not be stored in the Shipyard. Hazardous materials may be brought into the Shipyard only for use on board the Vessel.
- (d) Hazardous Waste. All hazardous waste generated by Third Parties shall be the responsibility of the Third Party. No hazardous waste shall be removed from a Vessel until ready for transportation to a licensed treatment, storage and disposal facility. Third Parties are responsible for obtaining a provisional Environmental Protection Agency generator number and shall use that provisional number on all manifests and other shipping documents. NASSCO shall not be designated or otherwise identified as the "generator" of any hazardous waste on any manifest or other shipping document.
- (e) Water Quality. Discharges to San Diego Bay from the Shipyard or Vessels are regulated by NASSCO's National Pollutant Discharge Elimination System ("NPDES") permit. This permit regulates all discharges into San Diego Bay. Third Parties are prohibited from discharging into San Diego Bay without prior written approval from NASSCO Environmental Engineering, using NASSCO's Wastewater Discharge Request Form. NASSCO's Industrial User Discharge ("IUD") permit regulates all discharges of industrial wastewater to the sanitary sewer system. Third Parties are prohibited from discharging into the sanitary sewer system without prior written approval from NASSCO

Environmental Engineering, using NASSCO's Wastewater Discharge Request Form.

- (f) Air Quality. The San Diego Air Pollution Control District ("APCD") requires permits for all devices, equipment, or processes that emit or could emit pollutants, unless specifically exempted. Additionally, NASSCO has facility capacity limitations on the nature and extent of emissions from the Shipyard. These limitations restrict the volume and type of activities that can be conducted. For these reasons, Third Parties are prohibited from engaging in any of the following activities:
- Blasting and hydroblasting operations
 - Coating, surface preparation and solvent use
 - The use of adhesives and sealants
 - Welding, cutting and burning operations
 - Asbestos removal/demolition activities
 - Diesel engine operation
- (g) Reporting Releases of Hazardous Materials and/or Waste. Third Parties shall report all releases, spills and discharges of hazardous materials and wastes immediately to the NASSCO Security Department at (619) 544-8401.

7. Denial of Access

NASSCO hereby reserves the right to deny admission to the Shipyard and access to Vessels to any person or entity that fails to comply with these Regulations.